Master Analysis Part 1

State of Wisconsin
1999 – 2000 LEGISLATURE

LRB-2130/P1

PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:**

Analysis by the Legislative Reference Bureau
***** ANALYSIS FROM –0480/P3 *****
INTRODUCTION

This bill is the "executive budget bill" under section 16.47 (1) of the statutes. It contains the governor's recommendations for appropriations from the general fund and from segregated funds for the 1999–2001 fiscal biennium.

The bill repeals and recreates the appropriation schedule in chapter 20 of the statutes, thereby setting the appropriation levels for the 1999–2001 fiscal biennium. The descriptions that follow relate to the most significant changes in the law proposed in the bill. In most cases, changes in the amounts of existing spending authority and changes in the amounts of bonding authority under existing bonding programs are not discussed.

For the fiscal impact of this bill refer to the publication *Budget in Brief* issued by the department of administration.

For additional information concerning this bill, see the department of administration's executive budget books, the legislative fiscal bureau's summary document and the legislative reference bureau's drafting files that contain separate drafts on each policy item. In most cases, the policy item drafts contain a more detailed analysis than is printed with this bill.

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GUIDE TO NONSTATUTORY MATERIAL

As is the case for all other bills, the SECTIONS of the budget bill treating statutory material are displayed in the ascending numerical sequence of the statute units affected. In some parts of the bill, not all consecutive SECTION numbers are used.

Treatments of prior session laws (styled "laws of [year], chapter ...." from 1848 to 1981, and "[year] Wisconsin Act ...." beginning with 1983) are displayed next by year of original enactment and by act number.

Following this material, the remaining nonstatutory material is organized by the category of nonstatutory provision and by the state agency to which the provision relates. The first two digits of the 4–digit SECTION number indicate the category of the provision:

91XX Nonstatutory provisions.
92XX Appropriation changes.
93XX Initial applicability.
94XX Effective dates.

The remaining two digits indicate the state agency to which the provision relates:

XX01 Administration.
XX02 Adolescent pregnancy prevention and pregnancy services board.
XX03 Aging and long–term care board.
XX04 Agriculture, trade and consumer protection.
XX05 Arts board.
XX06 Boundary area commission, Minnesota–Wisconsin.
XX07 Building commission.
XX08 Child abuse and neglect prevention board.
XX09 Circuit courts.
XX10 Commerce.
XX11 Corrections.
XX12 Court of appeals.
XX13 Educational communications board.
XX14 Elections board.
XX15 Employe trust funds.
XX16 Employment relations commission.
XX17 Employment relations department.
XX18 Ethics board.
XX19 Financial institutions.
XX21 Governor.
XX22 Health and Educational Facilities Authority.
XX23 Health and family services.
XX24 Historical society.
XX25 Housing and Economic Development Authority.
XX26 Insurance.
XX27 Investment board.
XX28 Joint committee on finance.
XX29 Judicial commission.

XX30 Justice.
XX31 Legislature.
XX32 Lieutenant governor.
XX33 Lower Wisconsin state riverway board.
XX34 Medical College of Wisconsin.
XX35 Military affairs.
XX36 Natural resources.
XX37 Personnel commission.
XX38 Public defender board.
XX39 Public instruction.
XX40 Public lands, board of commissioners of.
XX41 Public service commission.
XX42 Regulation and licensing.
XX43 Revenue.
XX44 Secretary of state.
XX45 State fair park board.
XX46 Supreme Court.
XX47 Technical college system.
XX48 Technology for educational achievement in Wisconsin board.
XX49 Tourism.
XX50 Transportation.
XX51 Treasurer.
XX52 University of Wisconsin Hospitals and Clinics Authority.
XX53 University of Wisconsin Hospitals and Clinics Board.
XX54 University of Wisconsin System.
XX55 Veterans affairs.
XX56 World Dairy Center Authority.
XX57 Workforce development.
XX58 Other.

For example, for miscellaneous nonstatutory provisions affecting the historical society, see SECTION 9124. The state agencies are listed in alphabetical sequence by key word. For any agency that is not assigned a two–digit identification number and that is attached to another agency see the number of the latter agency. For any other agency not assigned a two–digit identification number or any provision that does not relate to the functions of a particular agency, see number "58" (**other**) in each category.

In order to facilitate amendment drafting and the enrolling process, separate SECTION numbers and headings appear for each type of provision and for each state agency, even when there is no nonstatutory material associated with that SECTION number. As a result, amendments inserting material affecting different state agencies will not insert that material on the same page and line number. SECTION numbers and headings that are not followed by nonstatutory material will be deleted in enrolling and will not appear in the enrolled bill.

RG

*** ANALYSIS FROM –1785/P3 ***

AGRICULTURE

Under current law, one of the eligibility requirements for the farmland preservation credit is that the land to which the claim relates must be subject either to a farmland preservation agreement or to an exclusive agricultural use zoning ordinance that is certified by the land and water conservation board (LWCB). ~~Land that is not subject to exclusive agricultural use zoning may only become subject to a farmland preservation agreement if the county in which the land is located has an agricultural preservation plan that is certified by LWCB.~~ A farmland preservation agreement is between the landowner and the department of agriculture, trade and consumer protection (DATCP). The agreement commits the owner to keep the land in agricultural use for the duration of the agreement, up to 25 years, although the law allows DATCP to release land from an agreement under certain circumstances. Under current law, in some of the circumstances under which DATCP may release land from a farmland preservation agreement, or if land is rezoned from exclusive agricultural use, DATCP is required to file a lien against the land for the amount of the farmland preservation credit received by the owner during the preceding ten years.

For taxable years beginning after December 31, 2000, this bill eliminates the requirement that land must be subject to a farmland preservation agreement or exclusive agricultural use zoning for the owner to qualify for the farmland preservation credit. *See* **TAXATION**. The bill prohibits DATCP from entering into additional farmland preservation agreements after the bill takes effect. The bill requires DATCP to release land from an existing farmland preservation agreement at the request of the owner. DATCP ~~is required~~ to file a lien against the land for the amount of the farmland preservation credit received by the owner during the preceding ten years, unless the land qualifies for release under one of the current circumstances under which a lien is not required. Under the bill, land that is rezoned from exclusive agricultural use zoning after December 31, 2000, is not subject to a lien. ~~This bill also eliminates the statutory provisions concerning county agricultural preservation plans.~~

Under current law, another eligibility requirement for the farmland preservation credit is that the land must be farmed in compliance with a soil and water conservation plan or with soil and water conservation standards established by the county and approved by LWCB. Under the bill, beginning on January 1, 2001, all claimants must comply with the soil and water conservation standards. The bill requires counties to revise the standards so that they are consistent with the tolerable erosion established by LWCB and with nutrient management rules promulgated by DATCP.

Under current law, an exclusive agricultural use zoning ordinance must generally provide that the minimum parcel size to establish a residence or a farm operation is 35 acres. This bill eliminates that requirement effective January 1, 2001, and requires instead that an exclusive agricultural use ordinance must specify a minimum lot size.

RCT

TAKE OUT

TAXATION

INCOME TAXATION

Under current law, an eligible claimant may recover a certain amount of property taxes paid through the refundable farmland preservation credit. A refundable tax credit means that, if the amount of the credit which is otherwise due an eligible claimant exceeds the claimant's tax liability, or if there is no outstanding tax liability, the excess amount of the credit is paid to the claimant by check.

One of the current law eligibility requirements for the farmland preservation credit is that the farmland to which the claim relates must be subject to either a farmland preservation agreement or to a county exclusive agricultural use zoning ordinance. A farmland preservation agreement and an exclusive agricultural use zoning ordinance requires the claimant to abide by certain soil and water conservation standards. A farmland preservation agreement is generally entered into for a term of ten to twenty–five years, although the parties may agree to relinquish the agreement under certain circumstances. Also under current law, a claimant is required to supply a number of documents to the department of revenue (DOR) in support of the claimant's application. The required documents include a copy of the property tax bill relating to the farmland, certification by the claimant that all taxes owed by the claimant on the property for which the claim is made for the year before the year for which the claim is made have been paid and a copy of the farmland preservation agreement or a certificate of the appropriate zoning authority.

The current law credit is computed under a formula that is based on property taxes accrued on the claimant's farmland in the preceding calendar year, the claimant's household income and the contract, planning or zoning provisions that cover the farmland. The maximum credit that a claimant could be eligible for is $4,200, and the minimum credit that an eligible claimant could receive is $600. The maximum credit for which the claimant would otherwise be eligible is reduced based on the zoning ordinances that are in effect in the county in which the farmland is located, although the minimum credit is never less than $600 for an eligible claimant.

This bill retains most of the current law's formulas but, for taxable years beginning after December 31, 2000, the formulas do not include any tie to farmland preservation agreements, exclusive agricultural use zoning or county preservation plans. *See* **AGRICULTURE**. Under the bill, the claimant must provide DOR with a number of documents that must also be provided under current law, such as a copy of the property tax bill relating to the farmland and certification by the claimant that all taxes owed by the claimant on the property for which the claim is made for the year before the year for which the claim is made have been paid. The bill also requires that the claimant provide DOR with a certificate of compliance, issued by the land conservation committee of each of the counties that have jurisdiction over the farmland, that certifies that certain soil and water conservation standards that apply to the farmland are being met. For new claims that are filed for taxable years beginning after December 31, 2000, the maximum credit that a claimant could be

RCT

eligible for is $2,100. In addition, no new claims may be filed for a taxable year that begins after December 31, 2002.

The bill also creates a new, refundable farmland preservation acreage credit. This credit may be claimed by any person who is an eligible claimant under the farmland preservation credit. Under the acreage credit, a claimant who sells, donates or otherwise transfers the development rights to the claimant's farmland to a nonprofit entity or to the state or to a political subdivision (a city, village, town or county) may claim the credit. The credit is equal to 50 cents for each acre that the claimants sells, donates or otherwise transfers if the claimant retains farming rights on the farmland, or 30 cents for each acre if farming rights are not retained. The bill defines "development rights" as a holder's nonpossessory interest in farmland that imposes a limitation or affirmative obligation, the purpose of which is to retain or protect natural, scenic or open space values of farmland, assuring the availability of farmland for agricultural, forest, wildlife habitat or open space use, protecting natural resources or maintaining or enhancing air or water quality.

If the claimant sells, donates or transfers the farmland development rights to a nonprofit entity, the credit may not be claimed unless the nonprofit entity enters into a written agreement with DATCP that requires that certain standards for the management of the farmland be met and requires that any future sale, donation or transfer of the development rights to the farmland meet certain conditions. The conditions for such a transfer include a requirement that the nonprofit entity may sell, donate or transfer the development rights only to the state or to a political subdivision, or to another nonprofit entity that enters into another written agreement with DATCP that is similar to the agreement entered into between DATCP and the nonprofit entity that most recently held the development rights to the farmland.

A nonprofit entity may develop the farmland with the written consent of the owner of the property and of DATCP, but only in a way that retains or protects natural, scenic or open space values of the farmland, assuring the availability of farmland for agricultural, forest, wildlife habitat or open space use, protecting natural resources or maintaining or enhancing air or water quality.

If a claimant sells, donates or otherwise transfers development rights to a political subdivision, the political subdivision may develop the farmland only in a way that is consistent with certain comprehensive planning requirements.

The acreage credit may only be claimed by the claimant who owns the farmland when the development rights are initially transferred, and only after the claimant files with the register of deeds of each county in which the farmland is located a certificate that verifies that such rights have been transferred. No new claims may be filed under the acreage credit for taxable years that begin after December 31, 2002.

RCT

***** ANALYSIS FROM -0091/5 *****

~~AGRICULTURE~~

Under current law, a person may not operate a nursery (a place where plants are grown for sale) in this state without a license from ~~the department of agriculture, trade and consumer protection~~ DATCP. The license fee is based primarily on total

nursery acreage. A nursery operator must pay a surcharge, also primarily based on acreage, which is used for gypsy moth eradication. A person other than the operator of a nursery may not sell nursery stock without a nursery dealer license from DATCP. The nursery dealer license fee is $25 for each place of business. A nursery dealer must also pay a $30 surcharge which is used for gypsy moth eradication.

This bill restructures and makes various changes in the law related to nursery operators and nursery dealers. Under the bill, the license fee for a nursery operator (called a nursery grower) is based on annual sales of nursery stock. Under the bill, the nursery dealer license fee is based on annual purchases of nursery stock. The bill eliminates the gypsy moth surcharge and provides that all of the nursery grower and nursery dealer license fees are used for plant protection, including nursery regulation and control of plant pests. The bill requires that Christmas tree growers be licensed as nursery growers. The bill also authorizes DATCP to issue temporary permits to allow the growing and sale of nursery stock for the benefit of nonprofit organizations without a license. (also)

***** ANALYSIS FROM –1243/2 *****

AGRICULTURE

Current law requires county land conservation committees to prepare land and water resource management plans. The plans are reviewed by the state land and water conservation board (LWCB) and are reviewed and approved or disapproved by the department of agriculture, trade and consumer protection (DATCP). This bill provides that land and water resource management plans are reviewed by DATCP, in consultation with the department of natural resources (DNR), and are reviewed and approved or disapproved by LWCB. This bill also changes the requirements for the contents of a land and water resource management plan by, among other things, adding requirements for identification of water quality goals, for a strategy to provide information and education related to soil and water resource management, and for including a system to monitor the progress of the activities described in the plan.

***** ANALYSIS FROM –1269/1 *****

AGRICULTURE

Under current law, the department of agriculture, trade and consumer protection (DATCP) administers a soil and water resource management program. The program includes grants for land and water resource management projects and for the construction of animal waste management systems. Current law authorizes the issuance of up to $3,000,000 in state bonds for DATCP's soil and water resource management program. This bill increases that bonding authority by $3,575,000.

***** ANALYSIS FROM –0567/1 *****

AGRICULTURE

Under current law, the department of agriculture, trade and consumer protection (DATCP) regulates establishments where animals are slaughtered and where meat is processed if those establishments are not federally licensed. Current law requires DATCP to promulgate rules regulating slaughtering and meat processing.

RCT

This bill requires slaughtering and meat processing establishments that are not federally licensed to comply with federal regulations applicable to federally licensed establishments, except as otherwise provided in rules promulgated by DATCP.

Under current law, DATCP regulates retail food establishments, such as grocery stores, and the department of health and family services (DHFS) regulates restaurants. Also under current law, a state agency is generally required to use the form and style used for the statutes when it promulgates rules.

Under this bill, if DATCP or DHFS promulgates a rule based on the model food code, the rule may use the format of the model food code. The model food code is published by the federal food and drug administration as a model for state and local regulation of retail food establishments and restaurants.

***** ANALYSIS FROM –0095/3 *****

~~AGRICULTURE~~

Under current law, ~~the department of agriculture, trade and consumer protection~~ (DATCP) collects fees related to fertilizer, animal feeds and pesticides. The fees are used for ~~purposes related to~~ the management of agricultural chemicals. The 1997–99 biennial budget act lowered the amount of these fees for two years. This bill extends the lower fee amounts for two additional years. insert--pg. 24 (MGG)

***** ANALYSIS FROM –0099/1 *****

~~AGRICULTURE~~

This bill authorizes ~~the department of agriculture, trade and consumer protection~~ (DATCP) to accept electronic applications and payments for licenses issued and services provided by DATCP. The bill authorizes DATCP to charge a fee to cover its electronic processing costs. (RCT)

***** ANALYSIS FROM –0824/9 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, all Indian gaming receipts are deposited into an appropriation to the department of administration (DOA). This bill requires transfers from that appropriation for various purposes.

The bill creates two grant and loan programs to be administered by the department of commerce (department). Under one program, the department may make a grant that does not exceed $15,000 to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by a federally recognized American Indian tribe or band in this state. The grant must be used for professional services, such as engineering studies, feasibility studies, marketing assistance or legal or accounting services. The department may also make a grant or loan for fixed asset financing to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by a federally recognized American Indian tribe or band in this state. The grant or loan may not exceed $100,000. For any grant or loan under the program, the department must determine that the recipient has been negatively impacted by the existence of the casino and that the recipient has a need for the grant or loan to improve its

profitability. Unless the department waives the requirement for financial hardship reasons, any business receiving a grant or loan must provide matching funds for 25% of the cost of the project.

Under the other grant and loan program, for the purpose of diversifying the economy of a community in proximity to a casino, the department may make a grant or loan to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by a federally recognized American Indian tribe or band in this state. In determining whether to award a grant or loan, the department must consider a project's potential to retain or increase jobs, potential for significant capital investment and contribution to the economy of the community in proximity to the casino and of the state. A business that receives a grant or loan must provide matching funds for at least 25% of the cost of the project. Moneys for both grant and loan programs, including marketing the programs, come from the DOA appropriation into which is deposited Indian gaming receipts. In addition, the appropriation is to be used for economic development grants for Brown County in fiscal years 1999–2000 and 2000–01.

Also under current law, three appropriations to the department of commerce relate to economic development for American Indians: one is for an annual grant for a liaison between American Indians and state agencies administering programs assisting American Indians; another is for a program that provides various types of information and assistance to American Indians; and the third is for an annual grant to provide technical assistance for economic development on Indian reservations. All of these appropriations are funded from general purpose revenue. The bill changes the source of the funding to the DOA appropriation into which is deposited Indian gaming receipts.

PJK

***** ANALYSIS FROM –0821/4 *****

COMMERCE AND ECONOMIC DEVELOPMENT

PJK

ECONOMIC DEVELOPMENT

The Wisconsin Housing and Economic Development Authority (WHEDA) administers a number of loan guarantee programs. Under the small business development loan guarantee program, WHEDA may guarantee up to 80% or $200,000, whichever is less, of the principal of a loan made to a business that employs 50 or fewer full–time employes (small business), or to the elected governing body of a federally recognized American Indian tribe or band in this state, for certain business development projects. The total outstanding guaranteed principal amount of all loans that WHEDA may guarantee under the program is $9,900,000. The bill adds a new type of eligible borrower to the program. Under the bill, WHEDA may guarantee a loan that is made to a small business that is located in the same county as a casino that is operated by a federally recognized American Indian tribe or band or in a county that is adjacent to such a county. For such a loan, WHEDA may guarantee up to 100% or $200,000, whichever is less, of the loan principal. In addition, for such a loan WHEDA annually may pay to the financial institution that made the loan up to 3.5% of the outstanding balance of the loan as an interest subsidy. The bill increases the total outstanding guaranteed principal amount of all loans that WHEDA may guarantee under the program from $9,900,000 to

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$21,150,000. The bill also transfers to the Wisconsin development reserve fund moneys from the appropriation to the department of administration (DOA) into which Indian gaming receipts are deposited. WHEDA uses Wisconsin development reserve fund moneys to fund loan guarantees under all of its loan guarantee programs. The moneys transferred from the Indian gaming receipts appropriation, however, may be used only for guarantees and interest subsidies under the small business development loan guarantee program for loans made to businesses located in the same counties as American Indian casinos or in counties adjacent to those counties.

***** ANALYSIS FROM –0820/7 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, the appropriation to the department of tourism for tourism marketing is an annual general purpose revenue appropriation, which means that the unencumbered balance in the appropriation account lapses to the general fund at the end of each fiscal year. The bill changes this appropriation to biennial, which means that the unencumbered balance at the end of the first fiscal year of a biennium carries over to the next fiscal year and the unencumbered balance in the appropriation account at the end of the second fiscal year (the end of the fiscal biennium) lapses to the general fund.

Also under current law, Indian gaming receipts are deposited in an appropriation to the department of administration (DOA). The bill requires an annual transfer from that appropriation to a new appropriation to the department of tourism for tourism marketing expenditures and for providing funds to nonprofit organizations for the joint effort marketing of tourism in the state.

***** ANALYSIS FROM –1581/2 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The department of commerce administers the physician loan assistance and health care provider loan assistance programs under current law. Under the programs, the department may repay up to a specified amount in educational loans on behalf of a physician, physician's assistant, nurse–midwife or nurse practitioner who agrees to practice at least 32 clinic hours per week for three years in one or more eligible practice areas, defined generally as areas in this state with shortages of certain types of health care providers. The loan repayments are funded from general purpose revenue. The bill changes the funding source to Indian gaming revenue through an annual transfer from an appropriation to the department of administration (DOA), into which Indian gaming receipts are deposited.

***** ANALYSIS FROM –2015/1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The bill authorizes the Wisconsin Housing and Economic Development Authority (WHEDA) to organize and maintain a biotechnology development finance

company as a nonstock, nonprofit corporation. The purpose of the biotechnology development finance company is to invest in biotechnology companies in this state. Biotechnology is defined as technology related to life sciences. General purpose revenue is provided to the biotechnology development finance company for start–up capital and for its reasonable administrative expenses.

The biotechnology development finance company may invest in a biotechnology company by purchasing capital participation instruments, such as capital stock, partnership or membership interests, evidences of indebtedness and royalties, in a commercial, industrial or other economic enterprise undertaken by the biotechnology company. The biotechnology development finance company may not purchase more than 49% of the voting stock in any such enterprise and may not invest more than $200,000 in any one biotechnology company. The statutes specify a number of conditions that the biotechnology development finance company must ensure that an enterprise of a biotechnology company meets before the biotechnology development finance company makes an investment. The biotechnology development finance company annually must submit a report on its activities to the appropriate committee of each house of the legislature and to the governor.

The board of directors of the biotechnology development finance company consists of the executive director of WHEDA, the secretary of commerce, the secretary of administration, the executive director of the investment board, the president of the University of Wisconsin System and the president of Forward Wisconsin, Inc., or the designee of any of them, and three other members, which are initially appointed by the governor and which include representatives of the state's biotechnology research community, biotechnology industry and venture capital industry.

WHEDA and the department of commerce must assist the biotechnology development finance company. WHEDA must provide administrative services to the biotechnology development finance company by assigning its own employes or by contracting with private or state agencies to provide the services.

*** ANALYSIS FROM –2072/2 ***

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The bill authorizes the department of commerce to make a grant of not more than $1,000,000 to a consortium of business, governmental and educational entities in the Racine–Kenosha area for a manufacturing technology training center. The consortium must submit a business plan to the department and the secretary of commerce must approve the plan before the grant may be made. The department and the consortium must enter into a written agreement concerning the use of the grant proceeds, and the consortium must submit a report to the department on the use of the grant proceeds within six months after spending the proceeds.

The bill also authorizes the department to make a loan of not more than $600,000 to a person for a project that includes a pedestrian bridge. In order to receive the loan, the person must submit a project plan and the plan must be approved by the secretary of commerce. The person must enter into a written agreement with the department related to the use of the loan proceeds, and must

agree to report to the department on the use of the loan proceeds after the proceeds are spent.

***** ANALYSIS FROM –1582/3 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The manufacturing assistance grants program under current law is administered by the department of commerce. The program is funded with general purpose revenue from the Wisconsin development fund and with repayments of grants and loans made under programs funded by the Wisconsin development fund. Under the program, the department makes grants that are awarded by the development finance board for various purposes. One type of grant may be made to a business with 500 or fewer employes to fund a management assessment and plan. Another type of grant may be made to a business that manufactures original equipment to provide customized training for the employes of its supplier businesses. A third type of grant may be made to a technology–based nonprofit organization to provide support for a manufacturing extension center technology transfer program. Grants awarded under the program may not total more than $750,000 in a fiscal biennium.

The bill eliminates the manufacturing assistance grants program and creates a manufacturing extension center grants program. Under the new grant program, the department of commerce awards and makes a grant to a technology–based nonprofit organization to provide support for a manufacturing extension center. The technology–based nonprofit organization must submit a plan detailing its proposed expenditures and performance measures for the project and the secretary of commerce must approve the plan. Grants awarded under the program may not exceed $1,000,000 in a fiscal year and are funded solely with repayments of grants and loans made from the Wisconsin development fund. Any technology–based nonprofit organization that receives a grant under the new program loses eligibility to receive a grant or loan under any of the programs funded by the Wisconsin development fund.

***** ANALYSIS FROM –0557/3 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, the department of commerce makes grants under two programs for costs associated with the start–up or expansion of a business, such as the cost of having a feasibility study performed or a marketing plan prepared. Under one of the programs, the business being started or expanded must be at least 51% owned, controlled and actively managed by a minority group member or members. Under the other program, the business must be located in a city, village or town that has a population of 6,000 or less or in a city, village or town that is located in a county with a population density of less than 150 persons per square mile.

The bill creates a new program under which the department of commerce may provide grants for costs associated with the start–up or expansion of a business that is or will be located in this state in a city, village or town that has a population of more

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Under the manufacturing assistance grants program, the department of commerce made grants awarded by the development finance board to fund a management assessment and plan, to provide customized training for employes of a business supplying a manufacturing business and to provide support for a manufacturing extension center technology transfer program. Grants could not total more than $750,000 in a fiscal biennium and were funded with general purpose revenue from the Wisconsin development fund and with repayments from grants and loans made from the Wisconsin development fund.

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than 6,000; or ~~in a city, village or town~~ that is located in a county with a population density of 150 or more persons per square mile. The department may not award more than $15,000 to any one person in a fiscal biennium, and may not award more than $250,000 under the program in a fiscal biennium. A person may not receive a grant unless the person submits to the department a comprehensive informational application and contributes at least 25% of the cost of the project.

***** ANALYSIS FROM –0550/1 *****

~~COMMERCE AND ECONOMIC DEVELOPMENT~~

~~ECONOMIC DEVELOPMENT~~

The department of commerce administers three types of development zone programs: 1) the development zone program; 2) the development opportunity zone program; and 3) the enterprise development zone program. Generally, after the department designates an area as one of the three types of development zones, a person or corporation that conducts or that intends to conduct economic activity in the designated zone is or may be certified by the department as eligible for certain tax credits, called development zones credits, based on the creation or retention of jobs and on expenses incurred to remediate environmental problems.

The department of commerce must promulgate rules under the development zone programs that further define a person's eligibility to claim tax credits. The rules must allow a person conducting economic activity in a development zone or an enterprise development zone to claim up to $6,500 in tax credits for creating or retaining a job that is filled by an individual who is a member of the population targeted for benefit in the area of the person's economic activity and must allow a person conducting economic activity in a development zone or an enterprise development zone to claim up to $4,000 in tax credits for creating or retaining a job that is filled by an individual who is not a member of the population targeted for benefit. The bill changes these rule requirements. Under the bill, the rules must allow a person conducting economic activity in a development zone or an enterprise development zone to claim up to $8,000 in tax credits for creating a job that is filled by an individual who is a member of the population targeted for benefit. The rules must allow a person conducting economic activity in an enterprise development zone to claim up to $8,000 in tax credits for retaining a job if the department determines that the person has made a significant capital investment to retain the job. Finally, the rules must allow a person conducting economic activity in a development zone or an enterprise development zone to claim up to $6,000 in tax credits for creating or retaining a job that is filled by an individual who is not a member of the population targeted for benefit.

***** ANALYSIS FROM –0843/2 *****

~~COMMERCE AND ECONOMIC DEVELOPMENT~~

~~ECONOMIC DEVELOPMENT~~

The department of commerce administers three types of development zone programs: 1) the development zone program; 2) the development opportunity zone program; and 3) the enterprise development zone program. Generally, after the department designates an area as one of the three types of development zones, a

person or corporation that conducts or that intends to conduct economic activity in the designated zone is or may be certified by the department as eligible for certain tax credits, called development zones credits, based on the creation or retention of jobs and on expenses incurred to remediate environmental problems.

Under current law, the department may designate up to 22 development zones under the development zone program. The department allocates to each development zone that it designates a portion of $33,155,000, which is the total amount of tax credits that may be claimed under that program. Under the enterprise development zone program, the department may designate no more than 50 enterprise development zones unless the department obtains the approval of the joint committee on finance (JCF) to designate more. (The department has obtained the approval to designate up to 64 enterprise development zones.) The total amount of tax credits that may be claimed under the enterprise development zone program is not specified in the statutes, although the statutes specify that the department may allocate to each enterprise development zone no more than $3,000,000 in tax credits.

The bill changes the number of enterprise development zones that the department may designate to up to 100 and eliminates the provision that the department may obtain the approval of JCF to designate more. In addition, the bill eliminates the limit on the total tax credits that may be claimed under the development zone program and specifies that the total tax credits that may be claimed under the development zone program and the enterprise development zone program together is $300,000,000. The bill retains the $3,000,000 limit on tax credits that may be allocated to each enterprise development zone.

The bill authorizes the department to designate enterprise development zones for a different type of project. Under current law, the department may designate an enterprise development zone for a project that is likely to retain or increase employment in the state and that will likely have a positive effect on an area that meets at least three criteria relating generally to economic circumstances. Under the bill, the department may also designate enterprise development zones for projects that will likely provide for significant environmental remediation. Environmental remediation is defined as the removal or containment of environmental pollution, or the restoration of soil or groundwater affected by environmental pollution, in a brownfield, which is an industrial or commercial facility, the expansion or redevelopment of which is complicated by environmental contamination. Of the 100 enterprise development zones that the department may designate under the bill, the department must designate at least ten for projects for environmental remediation.

***** ANALYSIS FROM -0940/6 *****

~~COMMERCE AND ECONOMIC DEVELOPMENT~~

~~ECONOMIC DEVELOPMENT~~

~~The brownfields grant program under current law is administered by the department of commerce (department).~~ Brownfields are abandoned, idle or underused industrial or commercial facilities or sites that are adversely affected for expansion or redevelopment by actual or perceived environmental contamination.

Under the grant program, the department awards ~~4~~ grants to ~~4~~ persons for the

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The bill makes various changes to the development zone programs. The bill eliminates a provision that the department must obtain the approval of the ~~two~~ joint committee on finance (JCF) to designate more than 50 enterprise development zones and increases the number of enterprise development zones that the department may designate to up to 100. The bill increases the amount in tax credits that the department must allow a person to claim for creating or retaining a job in a development zone or in an enterprise development zone. The bill increases to $300,000,000 the total amount of tax credits that may be claimed under the development zone and enterprise development zone programs together. Under current law, the amount of tax credits that may be claimed under the development zone program is $33,155,000 and the amount that may be claimed under the enterprise development zone program is not specified. Finally, the

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redevelopment of brownfields and associated environmental remediation activities. The party actually responsible for the environmental contamination must be unknown or unable to be located, and a person receiving a grant must make a cash or in-kind contribution to the project in an amount that depends on the amount of the grant. A grant may not exceed $1,250,000. Grants are made from general purpose revenue and from moneys from the environmental fund. The department is required to award at least seven grants under the program for projects that are located in municipalities with a population of less than 30,000. The statutes specify the criteria that the department must use in awarding the grants.

The bill adds another type of grant to the program based on the creation or retention of jobs. Under the bill, anyone who would be eligible for a grant under the program under current law would be eligible for the new type of grant if, in addition to satisfying the criteria under current law, the grant applicant will create or retain jobs with the grant proceeds. At least 80% of the jobs created or retained must be filled by individuals who are parents of minor children and who have family incomes that do not exceed 200% of the federal poverty line. In awarding the new grants, the department must consider the same criteria that it considers for the grants under current law, as well as the number of jobs that the project will likely create or retain. The new grants are subject to the same limit on amount that the other grants are and will be paid from federal block grant moneys. The requirement that the department must award at least seven grants under the program for projects that are located in municipalities with a population of less than 30,000 is changed to a requirement that the department must award at least 14 grants for projects that are located in municipalities with a population of less than 50,000.

any person

***** ANALYSIS FROM –1187/1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The Wisconsin Housing and Economic Development Authority (WHEDA) administers a number of loan guarantee programs under which WHEDA guarantees repayment of loans made to businesses and individuals for various specified purposes by private lending institutions. The loans are guaranteed from the Wisconsin development reserve fund, which WHEDA administers. The bill transfers $2,000,000 from the Wisconsin development reserve fund to the environmental fund, which funds such activities as environmental repair, groundwater management and nonpoint source water pollution abatement. In addition, the bill reduces WHEDA's loan guarantee authority for the brownfields remediation loan guarantee program, under which WHEDA guarantees loans made to businesses for direct or related expenses associated with remediation of contamination at abandoned, idle or underused industrial or commercial facilities or sites that are adversely affected for expansion or redevelopment by actual or perceived environmental contamination. The total outstanding principal amount of all loans that WHEDA may guarantee under that program is reduced from $22,500,000 to $11,250,000.

***** ANALYSIS FROM –1279/2 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The department of commerce makes grants and loans from an appropriation known as the Wisconsin development fund (fund) for various purposes generally related to technology and product research and development and labor training. For three consecutive fiscal years, beginning in fiscal year 1997–98, $50,000 is allocated from the fund for providing assistance to a nonprofit organization that provides assistance to organizations and individuals in urban areas. The department of commerce must enter into a memorandum of understanding with the department of administration (DOA) that specifies how the department of commerce may use the moneys that are allocated. The bill provides that in the last of the three fiscal years, fiscal year 1999–2000, the department of commerce may instead provide up to $100,000 in assistance to a nonprofit organization that provides assistance to organizations and individuals in urban areas. The moneys may come from the fund and from the appropriation to the department of commerce into which are deposited repayments of loans made from the fund. The department of commerce must use the moneys in accordance with the memorandum of understanding.

*** ANALYSIS FROM -1220/2 ***

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

The Wisconsin Housing and Economic Development Authority (WHEDA) administers the housing rehabilitation loan program administration fund. Moneys in the fund may be used to pay for WHEDA's expenses in administering the housing rehabilitation loan program and may be transferred to the secretary of administration for deposit in the general fund to the extent that the chairperson of WHEDA certifies that the moneys are no longer required for the housing rehabilitation loan program. The bill eliminates the transfer of moneys to the secretary of administration for deposit in the general fund and instead authorizes the transfer of moneys from the housing rehabilitation loan program administration fund to the Wisconsin development reserve fund to the extent that the chairperson of WHEDA certifies that the moneys are no longer required for the housing rehabilitation loan program. In addition, the bill requires WHEDA to transfer at least $5,100,000 in fiscal year 1999–2000 from the housing rehabilitation loan program administration fund to the Wisconsin development reserve fund, regardless of whether the chairperson makes the required certification that the moneys are no longer necessary. WHEDA uses Wisconsin development reserve fund moneys to fund loan guarantees under all of its loan guarantee programs.

Under the agricultural production loan guarantee program in current law, WHEDA guarantees loans made to farmers to finance production of an agricultural commodity, such as milk. A farmer may have no more than $20,000 in outstanding principal under all of the loans to the farmer that are guaranteed under the program. The bill changes the maximum amount of outstanding principal that a farmer may have to no more than $30,000.

Under the farm assets reinvestment management loan guarantee program in current law, WHEDA guarantees loans made to farmers to finance the acquisition of agricultural assets or the cost of improvements to facilities or land. A farmer may have no more than $100,000 in outstanding principal under all of the loans to the farmer that are guaranteed under the program. The maximum amount is $50,000 if any of the loans is affected by any other state or federal credit assistance program. The bill changes the maximum amount of outstanding principal that a farmer may have to no more than $200,000, or $100,000 if any loan is affected by another credit assistance program.

The bill eliminates the cultural and architectural landmark loan guarantee program, under which WHEDA may guarantee a loan to an organization for acquiring, constructing, improving or rehabilitating a property that is an architectural masterpiece and that has historical significance.

***** ANALYSIS FROM –0513/1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the statutes, records created and maintained by a government agency are normally open to inspection by anyone who requests inspection or copies of the records. Also under current law, a government agency is prohibited from selling or renting a record containing an individual's name or address unless authorized by statute. The bill provides that the department of tourism may refuse to reveal names, addresses and related demographic information from any lists maintained by the department of persons who have requested travel information from the department. In addition, if the department provides information from any such list, the department may charge a fee to recover its costs in compiling and providing the information. The department may also waive or reduce the fee if doing so is in the public interest.

***** ANALYSIS FROM –0552/1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the community–based economic development programs in current law, the department of commerce awards grants to political subdivisions and community–based organizations for various purposes related to promoting economic development at the community level. Under one of the programs, the department may make grants to community–based organizations for regional economic development, but may not award in a fiscal year more than $100,000 or 10% of the appropriation to the department for all of the community–based economic development programs, whichever is greater. The bill removes this limit so that the department may use its discretion in the total amount of grants awarded under the program.

***** ANALYSIS FROM –0551/1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the business development initiative program, the department of commerce provides technical assistance, or a grant for technical assistance, for developing and planning the start–up or expansion of a business that is expected to provide job opportunities for persons with severe disabilities. Eligible recipients are individuals, small businesses and nonprofit organizations. A small business is defined as a for–profit business with fewer than 25 full–time employes. The bill changes the definition by increasing ~~fewer than 100~~ the number of employes ~~that a business may have to be a small business~~, thereby increasing the number of businesses eligible under the program.

*** ANALYSIS FROM –0424/1 ***

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, state agencies are required to prepare and submit to the legislature various reports related to an agency's responsibilities or expertise. ~~The~~ bill eliminates, or transfers to other agencies, that requirement with respect to a number of reports that the department of commerce is required to prepare and submit. Under the bill, the department is no longer required to publish a list of all aid programs and services made available by the state to communities. The requirement to report on the social, economic and financial effects and impact of tax incremental financing projects is transferred from the department of commerce to the department of revenue (DOR). The requirement to report on the various effects of lending by the Wisconsin Housing and Economic Development Authority (WHEDA) for economic development projects is transferred from the department of commerce to WHEDA. In addition, the department is no longer required to certify that each loan made by WHEDA for an economic development project complies with the conditions that must be met in order for WHEDA to make the loan. The requirement to report on the net jobs gain due to the funds provided to Forward Wisconsin, Inc., is transferred from the department of commerce to Forward Wisconsin, Inc. Under the bill, the department of commerce is no longer required to report to the investment board on the types of investments in businesses that will have the greatest likelihood of enhancing economic development in this state. However, the investment board must include such a report in its plan for making investments in this state that it submits to the legislature every odd–numbered year. The investment board must consult with the department of commerce before submitting its plan that includes the report.

*** ANALYSIS FROM –1836/2 ***

~~COMMERCE AND ECONOMIC DEVELOPMENT~~

COMMERCE

~~Under~~ Banking B.I. 916-916

Under current law, the division of savings and loan regulates savings banks and savings and loan associations and the division of banking regulates state banks. This bill allows savings banks, savings and loan associations and state banks (financial institutions) to apply to the division of banking to become certified as a universal

bank. If certified as a universal bank, the financial institution may exercise certain powers, in addition to those that are granted under the statutes under which they are organized. Universal banks retain their status as savings and loan associations, savings banks or state banks and remain subject to existing regulatory and supervisory requirements, except to the extent that these requirements are inconsistent with the requirements applicable to universal banks. ~~Universal banks are subject to the following provisions:~~

~~***Certification.***~~

~~A financial institution may apply to become certified as a universal bank by filing a written application with the division of banking.~~ In order to be certified as a universal bank, the financial institution must meet all of the following conditions: 1) the financial institution is chartered or organized, and regulated, as a Wisconsin financial institution and has been in existence and continuous operation for at least three years; 2) the financial institution must be "well–capitalized" or "adequately capitalized"; 3) the financial institution must not exhibit moderately severe or unsatisfactory financial, managerial, operational and compliance weaknesses; and 4) the financial institution must not have been the subject of any enforcement action within the 12 months preceding the application. If these requirements are met, the division of banking must certify the financial institution as a universal bank. The financial institution may be decertified only if it elects to terminate its certification and the election is approved by the division. ~~As a precondition to decertification, the universal bank must terminate the exercise of all universal banking powers.~~

Organization and operation.

A financial institution that is certified as a universal bank remains subject to all of the requirements and duties, and remains able to exercise all of the powers, that applied to the financial institution prior to its certification as a universal bank, except to the extent that such requirements, duties and powers are inconsistent with the powers and duties of universal banks. After a financial institution becomes certified as a universal bank, the division of banking becomes solely responsible for establishing the capital requirements applicable to ~~the universal bank~~.

A universal bank continues to operate under the articles of incorporation and bylaws in effect prior to the certification, ~~and these articles and bylaws may be amended in accordance with the law governing savings banks, savings and loan associations or state banks, whichever is applicable to the financial institution.~~ Current law generally prohibits savings banks and savings and loan associations from using use the term "bank" in their corporate name, without also using the term "savings". Notwithstanding these provisions, the bill allows all financial institutions that become certified as a universal bank to use the term "bank" in their corporate name without using the word "savings", subject to certain limitations relating to the distinguishability of the name. Under current law, the division of banking regulates mergers and acquisitions of state banks and the division of savings and loan is responsible for regulating the mergers and acquisitions of savings banks and savings and loan associations. Under the bill, the division of banking assumes responsibility for reviewing and approving the mergers and acquisitions of all financial institutions that have been certified as universal banks, ~~including savings banks and savings~~

and loan associations. The standards to be used by the division of banking to apply the standards currently applicable to the various financial institutions that may become certified as universal banks, except that universal banks may generally acquire or merge with any type of financial institution.

The bill expands the powers of financial institutions that become certified as universal banks. Currently, savings banks, savings and loan associations and banks have differing powers. Under the bill, a universal bank is authorized to engage in any activity authorized for any savings bank, savings and loan association or state bank on the first day of the third month beginning after the bill's publication. In addition, the bill specifically provides that universal banks may exercise the following powers:

— *Federal powers:* The bill grants all universal banks the authority to exercise all powers that may be exercised, directly or indirectly through a subsidiary, by federally chartered financial institutions, such as a national bank or a federally chartered savings and loan association, or by an affiliate of such an institution. The division of banking may require that a federal power be exercised by a subsidiary of the universal bank in order to limit the risk exposure of the universal bank.

— *Lending powers:* Under current law, the lending powers of a financial institution depend on whether the financial institution is organized as a savings bank, savings and loan association or state bank. The lending powers granted to universal banks are most similar to the powers granted to state banks under current law. Current law imposes some restrictions on the types and purposes of loans that savings banks and savings and loan associations may make. Under the bill, a universal bank may make, sell, purchase, arrange, participate in, invest in or otherwise deal in loans or extensions of credit for any purpose. Like state banks, the limitations imposed on a universal bank's lending generally focus on the total amount of liabilities of any one lender at any one time. Although the limit varies depending on the lender and on the type of security pledged for the loan, the general rule is that the total liabilities of any one person to a universal bank may not exceed 20% of the capital of the universal bank. These lending limits for universal banks are generally the same as for state banks, except that universal banks are granted additional authority to lend, through the universal bank or its subsidiaries, an amount to all borrowers from the universal bank and all of its subsidiaries, an aggregate amount not to exceed 20% of the bank's capital, provided that the loans to any one borrower may not exceed 20% of the bank's capital. Loans made under this additional authority are not subject to rules regarding bad debts or classification of losses, for a period of three years from the date of the loan. This additional authority may be suspended by the division of banking if, in the factors that may be considered by the division of banking in suspending this authority are the universal bank's capital adequacy, management, earnings, liquidity and sensitivity to market risk.

— *Investment powers:* To the extent consistent with safe and sound banking powers, a universal bank may purchase, sell, underwrite and hold investment securities in an amount up to 100% of the universal bank's capital. Investment securities include

commercial paper; banker's acceptances; marketable securities in the form of bonds, notes and debentures, and similar instruments. A universal bank may not invest greater than 20% of its capital in any one obligor or issuer. A bank may purchase, sell, underwrite and hold equity securities, consistent with safe and sound banking principles, in an amount up to 20% of the capital of the universal bank, unless the division of banking approves a greater percentage. Universal banks may also invest in certain housing properties and projects, except that the total investment in any one project may not exceed 15% of the universal bank's capital and except that the total amount invested in housing properties and projects may not exceed 50% of the universal bank's capital. A universal bank may also take equity positions in profit–participation projects, including projects funded through loans from the universal bank, in an aggregate amount not to exceed 20% of capital. The division of banking may suspend the authority to invest in profit–participation projects.

The bill provides that the universal banks may invest without limitations in certain types of securities, including: 1) obligations of certain federal agencies or federally chartered corporations and associations; 2) deposit accounts or insured obligations of insured financial institutions; 3) securities of certain business development corporations and urban renewal investment corporations; 4) certain securities of bank insurance companies; 5) securities of certain corporations operating automated teller machines; 6) securities of service corporation subsidiaries of a universal bank; 7) advances of federal funds; 8) risk management instruments, including financial futures transactions, financial operations transactions and forward commitments, solely for the purpose of reducing, hedging or otherwise managing its interest rate risk exposure; 9) securities of subsidiaries exercising certain fiduciary powers; and 10) securities of agricultural credit corporations. Universal banks may also invest in other financial institutions. The investment powers of universal banks may be exercised either directly or through a subsidiary, unless the division of banking requires the investment to be made through a subsidiary in order to limit the risk exposure of the universal bank. The bill contains specific provisions governing the purchase by a universal bank of its own stock and of stock in banks and bank holding companies.

Deposit and trust powers: The bill grants universal banks the authority to establish the types and terms of deposits that the universal banks solicit and accept. A universal bank may pledge its assets as security for deposits. With the approval of the division of banking, a universal bank may securitize its assets for sale to the public, subject to any procedures established by the division. Universal banks may exercise safe deposit powers and universal banks have a lien on the contents of property accepted for safekeeping for their safekeeping charges. If these charges remain unpaid for two years or property accepted for safekeeping is not called for within two years, the bank may sell the property at public auction. The bill authorizes universal banks to exercise trust powers that are permitted to trust company banks.

Incidental and related powers: Under the bill, a universal bank may exercise all powers necessary or convenient to effect the purposes for which the universal bank is organized or to further the businesses in which the universal bank is lawfully

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engaged. Current law does not have a similar provision for savings banks, savings and loan associations or state banks.

In addition to these necessary or convenient powers, the bill allows universal banks to engage, directly or indirectly through a subsidiary, in activities that are reasonably related or incident to the purposes of the universal bank. The bill contains a list of activities that meet the reasonably related or incidental powers criteria. The listed activities include: 1) business and professional services; 2) data processing; 3) courier and messenger services; 4) credit–related activities; 5) consumer services; 6) real estate–related services; 7) insurance services, other than insurance underwriting; 8) securities brokerage; 9) investment advice; 10) securities and bond underwriting; 11) mutual fund activities; 12) financial consulting; 13) tax planning and preparation; 14) community development and charitable activities; and 15) debt cancellation contracts.

In addition, any activity permitted to be engaged in by bank holding companies under the federal Bank Holding Company Act may be engaged in by a universal bank. The division of banking is permitted to expand the list of reasonably related or incidental powers by rule. A universal bank is required to give 60 days' prior written notice to the division of banking of the bank's intention to engage in a necessary or convenient, reasonably related or incidental power. The division of banking may deny the authority of a universal bank to engage in a reasonably related or incidental power, other than those activities that are specifically enumerated, if the division of banking determines that the power is not a reasonably related or incidental power, that the financial institution is not well capitalized or adequately capitalized, that the financial institution is the subject of an enforcement action or that the financial institution does not have sufficient management expertise for the activity. The division of banking may require that any of these activities be conducted through a subsidiary with appropriate safeguards to limit the risk exposure of the universal bank. Amounts invested in a single subsidiary may not exceed 20% of the universal bank's capital, unless a higher percentage is approved by the division of banking.

Other changes affecting commerce

In addition to creating universal banks, this bill changes the name of the division of savings and loan in the department of financial institutions to the division of savings institutions. The bill further provides that any action taken by the division of savings and loan under the name of the division of savings institutions has the same effect as if the action had been taken under the name of the division of savings and loan.

***** ANALYSIS FROM –1808/1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

COMMERCE

Under Wisconsin's version of the Uniform Unclaimed Property Act (UUPA), certain types of intangible property are presumed to be abandoned, if the owner of the property fails to take steps to evidence ownership within a specified time period. The holder of the property that is presumed to be abandoned must report and deliver

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the property to the state treasurer, unless the presumption is incorrect. If the presumption of abandonment is incorrect, the holder must file a statement with the state treasurer explaining the error in the presumption.

The UUPA defines "intangible property" to include a credit ~~balance~~ reflected in a vendor's bookkeeping ~~system~~. Thus, if the presumption of abandonment applies, the UUPA requires a vendor to report and deliver to the state treasurer the amount of ~~a~~ credit ~~balance~~ ~~owed to a commercial customer~~. ~~If the credit balance resulted from the vendor's bookkeeping error or otherwise~~ does not reflect an actual credit owing to a customer, the vendor must demonstrate to the state treasurer that the credit ~~balance~~ is not abandoned property.

This bill excludes from the definition of "intangible property" a balance credited by a business association to a commercial customer's account in the ordinary course of business. Thus, this bill eliminates the requirement that a vendor report and deliver to the state treasurer ~~abandoned~~ sales credit issued to a commercial customer's account.

***** ANALYSIS FROM –0220/P1 *****

COMMERCE AND ECONOMIC DEVELOPMENT

COMMERCE

~~Under current law, the department of agriculture, trade and consumer protection (DATCP) may ban the sale or distribution of any hazardous substance or article. In addition,~~ under current law, there are articles and substances that statutorily are banned from being sold or distributed in this state. ~~Under current law,~~ toys containing mercury are included in this ban. This bill expands the ban to include fever thermometers that contain mercury.

***** ANALYSIS FROM –0061/4 *****

COMMERCE AND ECONOMIC DEVELOPMENT

COMMERCE

Under current law, a person who owns a meter used to sell or deliver liquefied petroleum gas (LP gas) must comply with certain requirements to ensure the accuracy of the measurements done by the meter and the price charged to the purchaser. These requirements include registering the meter with the department of agriculture, trade and consumer protection (DATCP). ~~Current law requires DATCP to promulgate rules regarding these registration requirements~~. This bill changes the registration requirement to a licensing requirement and imposes the requirement on the operator of the meter instead of the owner. The bill also imposes certain statutory requirements on the licensing procedure instead of requiring DATCP to impose requirements by rule.

Current law requires that a meter owner have the meter inspected annually by a meter servicing company that is licensed by DATCP. The meter service company then must file with DATCP a report of the test results.

The bill imposes the requirement that the meter be inspected on the operator instead of on the owner. The bill also eliminates the requirement that meter servicers be specifically licensed as such and instead, they are licensed under the current law that governs the licensing of all persons who install, service test or

calibrate weights and measures. The bill requires that meter servicers test meters according to standards and tolerances established by DATCP by rule.

Current law imposes fees on meter owners for not complying with these registration and testing requirements and on meter servicing companies for not complying with the reporting requirements. The bill makes minor changes in these fees. The bill also authorizes DATCP to suspend or revoke an operator's license for failure to have a meter tested or a meter servicer's license for failure to file a report.

Under current law, a person must be licensed by DATCP to manufacture or distribute fertilizer or animal feed. The bill imposes on the licensee a weights and measures fee on each ton of fertilizer or animal feed that is manufactured or delivered. The fees are used by DATCP for its weights and measures inspection program. The bill reduces the other fees that a licensee pays on each ton of fertilizer or animal feed so that the total fee per ton remains the same as it is under current law.

The bill also increases the fees for licenses for commercial scales that weigh vehicles.

***** ANALYSIS FROM -0583/2 *****

COMMERCE AND ECONOMIC DEVELOPMENT

COMMERCE

On January 1, 1999, 11 participating members of the European Union (Germany, France, Italy, Spain, the Netherlands, Belgium, Portugal, Finland, Ireland, Austria and Luxembourg) adopted the euro as their single currency. From January 1, 1999, to January 1, 2002, there is a three-year period for the conversion of the member currencies to the euro. On January 1, 2002, euro notes and coins will be introduced and on July 1, 2002, the member currencies will be withdrawn from circulation.

This bill provides a general mechanism for interpreting contracts or other legal instruments that are entered into or executed in this state or that contain provisions that require the contract or other legal instrument to be interpreted according to the law of this state and that use currencies or other monetary units affected by the introduction of the euro. (The only other monetary unit specified in the bill is the European currency unit (ECU), which is the monetary unit of account of the European Economic Community.) Generally, under the bill, any contract or other legal instrument that uses a currency or other monetary unit that is affected by the euro, must use the euro as a commercially reasonable substitute for the currency or monetary unit. The bill provides that the valuation of the currencies and the ECU will be determined in accordance with applicable regulations adopted by the council of the European Union. The bill also provides that no person may discharge or otherwise excuse performance under any contract or other legal instrument, nor unilaterally alter the terms of, or terminate, any contract or other legal instrument, as a result the requirement that the euro be a commercially reasonable substitute for a member currency or ECU.

***** ANALYSIS FROM -1191/2 *****

RJM

~~COMMERCE AND ECONOMIC DEVELOPMENT~~

~~COMMERCE~~

This bill authorizes the department of financial institutions (DFI) to charge members of the public a fee for accessing or using DFI's databases or computer systems.

***** ANALYSIS FROM –0935/2 *****

RCT

ENVIRONMENT Plain header

~~WATER QUALITY~~

subhead → (CS) (E) Buildings and safety

Under current law, the department of commerce regulates private sewage systems. A private sewage system is a sewage treatment system with a septic tank or an alternative sewage system approved by the department of commerce, such as a holding tank. ~~Under current law, the department of natural resources (DNR) regulates point sources of water pollution.~~ A point source discharges pollution from a pipe or similar conveyance into the surface water or groundwater of this state. Under current law, a point source of pollution is generally required to obtain a water pollution discharge permit from DNR.

the department of natural resources

Under this bill, the department of commerce regulates small sewage systems. A small sewage system either is a wastewater treatment and disposal system that discharges below the surface of the ground and that has a design flow that does not exceed a maximum established by the department of commerce or is a holding tank. This bill authorizes DNR to exempt small sewage systems from the requirement to obtain a water pollution discharge permit.

***** ANALYSIS FROM –0515/4 *****

COMMERCE AND ECONOMIC DEVELOPMENT

BUILDINGS AND SAFETY

Current law charges governmental units (counties in which private sewage systems are located or, for counties with a population of at least 500,000, the cities, villages or towns in which such systems are located) with certain regulatory duties concerning private sewage systems. Governmental units may delegate these regulatory duties to town sanitary districts or certain public inland lake protection and rehabilitation districts if these districts consent. This bill permits governmental units to delegate these regulatory duties to the department of commerce (department) if the department consents.

Under current law, one statute authorizes governmental units to issue sanitary permits for the installation of private sewage systems and another statute authorizes both the department and governmental units to issue sanitary permits. The department's practice has been to issue sanitary permits for the installation of private sewage systems on state–owned property only. This bill consolidates the two authorizing statutes into one statute that permits both the department and governmental units to issue sanitary permits for the installation of private sewage systems on either private or state–owned property.

Current law prohibits a governmental unit from issuing a sanitary permit for the installation of a private sewage system if the department finds that the governmental unit has not adopted a private sewage system ordinance (as required

by law) or if the governmental unit fails to carry out its regulatory duties concerning private sewage systems. This bill provides instead that the department may order the governmental unit to remedy its failure to adopt a private sewage system ordinance or carry out its regulatory duties.

***** ANALYSIS FROM –1856/2 *****

~~ENVIRONMENT~~ Plain header

~~WATER QUALITY~~ Plain subhead

Under current law, the department of commerce administers a grant program for the replacement or rehabilitation of certain types of failing ~~private~~ sewage systems. Generally, a covered system is one that discharges sewage into surface water, groundwater or bedrock or to drain tile or the surface of the ground. Under the program, the department of commerce provides grants to eligible local governmental units which, in turn, provide grants to eligible individuals and businesses. If there is insufficient funding for all eligible individuals and businesses, the grants ~~to local governmental units and the grants to eligible individuals and businesses~~ are prorated.

Under this bill, in a year in which the department of commerce must prorate funds under the private sewage system replacement and rehabilitation grant program, a local governmental unit that received a prorated grant may apply for a ~~no–interest loan which~~ the local governmental unit may use to increase the prorated grants ~~that the local governmental unit~~ provides to eligible individuals and businesses. To obtain a loan, a local governmental unit must ~~comply with financial requirements established by~~ the department of administration (DOA) and must enter into a financial assistance agreement with DOA and the department of commerce.

***** ANALYSIS FROM –0521/2 *****

~~COMMERCE AND ECONOMIC DEVELOPMENT~~

~~BUILDINGS AND SAFETY~~

~~Under current law, the department of commerce administers a grant program for the replacement or rehabilitation of certain types of failing private sewage systems (systems). Generally, a covered system is one that discharges sewage into surface water, groundwater or bedrock or to drain tile or the surface of the ground. A person is~~ eligible for a grant if, among other things, he or she owns a principal residence that was constructed and inhabited before July 1, 1978, and is served by a covered system. ~~A business is eligible for a grant if it owns a small commercial establishment that was constructed before July 1, 1978, and is served by a covered system.~~

This bill provides that a person ~~or a business~~ is eligible for a grant if the system serving the principal residence ~~or the small commercial establishment~~ was installed before July 1, 1978, and the person ~~or business~~ meets the other eligibility requirements.

***** ANALYSIS FROM –0519/1 *****

MJL

COMMERCE AND ECONOMIC DEVELOPMENT

BUILDINGS AND SAFETY

Under current law, governmental units (counties in which private sewage systems are located or, for counties with a population of at least 500,000, the cities, villages or towns in which such systems are located) administer a grant program with the department of commerce for private sewage system replacement or rehabilitation. A person who owns a principal residence served by a failing private sewage system is eligible for a grant under this program if the owner's annual family income does not exceed $45,000. A governmental unit must base its determination of annual family income upon the Wisconsin adjusted gross income of the owner and the owner's spouse, if any. This bill provides that the governmental unit must base its determination of annual family income upon the federal adjusted gross income of the owner and the owner's spouse, if any.

*** ANALYSIS FROM –0516/3 ***

COMMERCE AND ECONOMIC DEVELOPMENT

BUILDINGS AND SAFETY

Current law requires private sewage systems to be inspected every three years by, among others, persons licensed by the department of natural resources (DNR) to service septic tanks (pumpers). This bill eliminates pumpers as a class of approved inspectors for private sewage systems and adds private sewage system inspectors certified by the department of commerce. The bill also eliminates the three-year inspection requirement and requires instead

*** ANALYSIS FROM –0520/2 ***

COMMERCE AND ECONOMIC DEVELOPMENT

BUILDINGS AND SAFETY

Under current law, a maintenance program for private sewage systems (systems) is administered by the department of commerce (department) and governmental units (counties in which the systems are located or, for counties with a population of at least 500,000, cities, villages or towns in which the systems are located). The maintenance program, which applies to all new or replacement systems constructed in the governmental unit after the date on which the governmental unit adopts the program, requires systems to be inspected or pumped every three years. This bill requires the department to establish by rule a schedule for the inspection or pumping of systems.

*** ANALYSIS FROM –0524/1 ***

COMMERCE AND ECONOMIC DEVELOPMENT

BUILDINGS AND SAFETY

Current law requires cities and metropolitan sewerage districts to report to the department of commerce each failure of a state licensed plumber to qualify as a journeyman or master plumber and each wilful violation of any plumbing regulation. This bill repeals this reporting requirement.

*** ANALYSIS FROM –1078/2 *** SIET

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CORRECTIONAL SYSTEM

ADULT CORRECTIONAL SYSTEM

This bill provides that the department of corrections (DOC) may not enter into any contract or other agreement if, in the performance of the contract or agreement, a prisoner would perform data entry or telemarketing services and have access to any information that may serve to identify a minor or

In addition, the bill provides that DOC may not enter into any contract or other agreement if, in the performance of the contract or agreement, a prisoner would perform data entry or telemarketing services and have access to an individual's financial transaction card numbers, checking or savings account numbers or social security number. Under the bill, a financial transaction card means an instrument or device issued for the use of the cardholder in obtaining anything on credit, certifying or guaranteeing the availability of funds sufficient to honor a draft or check or gaining access to an account.

*** ANALYSIS FROM –1834/2 ***

CORRECTIONAL SYSTEM

ADULT CORRECTIONAL SYSTEM

until July 1, 1999,

DOC

Under current law, [illegible] may operate the juvenile secured correctional facility at Prairie du Chien as a state prison for nonviolent offenders who are not more than 21 years of age. This bill extends that authority to July 1, 2001.

*** ANALYSIS FROM –0336/2 ***

CORRECTIONAL SYSTEM

ADULT CORRECTIONAL SYSTEM

This bill requires the department of corrections (DOC) to establish a probation and parole holding and alcohol and other drug abuse treatment facility in Milwaukee, a medium security correctional institution in Redgranite and a medium security correctional facility in New Lisbon.

*** ANALYSIS FROM –0290/3 ***

CORRECTIONAL SYSTEM

JUVENILE CORRECTIONAL SYSTEM

Under current law relating to community youth and family aids (generally referred to as "youth aids"), various state and federal funds are allocated to counties to pay for state–provided juvenile correctional services and local delinquency–related and juvenile justice services. The department of corrections (DOC) charges counties bills them or deducts from their allocations for the costs of services provided by DOC. This bill provides new per person daily cost assessments upon counties for juvenile placements during the 1999–2001 biennium as follows:

GMM

Placement	*7/1/1999 to 12/31/1999*	*1/1/2000 to 12/31/2000*	*1/1/2001 to 6/30/2001*
Juvenile correctional institution	$157.29	$158.46	$159.62
Transfers from a juvenile correctional institution to a treatment facility	$157.29	$158.46	$159.62
Child caring institution	$169.24	$172.46	$175.67
Group home	$117.42	$119.65	$121.88
Foster care	$26.17	$26.67	$27.16
Treatment foster care	$75.37	$76.80	$78.23
Departmental corrective sanctions services	$85.18	$80.67	$76.67
Departmental aftercare	$16.85	$17.03	$17.20

***** ANALYSIS FROM -2105/1 *****

~~CORRECTIONAL SYSTEM~~

~~JUVENILE CORRECTIONAL SYSTEM~~

Under current law, ~~the department of corrections~~ (DOC) may operate or contract for the operation of secured correctional facilities for holding in secure custody juveniles who have been adjudicated delinquent and placed in a secured correctional facility under the supervision of DOC by the court assigned to exercise jurisdiction under the juvenile justice code (juvenile court). Current law also permits DOC to license child welfare agencies to operate secured child caring institutions (secured CCI's) for holding in secure custody juveniles who have been adjudicated delinquent and referred to the child welfare agency by the juvenile court or by DOC. ~~Currently,~~ a juvenile court may place a juvenile in a secured correctional facility or a secured CCI only if the juvenile has been adjudicated delinquent for committing an act that would be punishable by a sentence of 6 months or more if committed by an adult and has been found to be a danger to the public and in need of restrictive custodial treatment.

This bill permits ~~a~~ the county board of supervisors of not more than one county to establish, and DOC to license, a secured group home for holding in secure custody juveniles who have been adjudicated delinquent for committing an act that would be punishable by a sentence of six months or more if committed by an adult, who have been found to be a danger to the public and in need of restrictive custodial treatment and who have been placed under the supervision of DOC by the juvenile court.

Under current law, various laws apply to juveniles who are placed in a secured correctional facility or a secured CCI. Those laws relate to such subjects as sex offender registration, the commitment of sexually violent persons, a deoxyribonucleic acid data bank of sex offenders, human immunodeficiency virus (HIV) testing when certain persons have been significantly exposed to HIV, adult

jurisdiction and criminal penalties for certain persons who commit assault, transfers to a state treatment facility, aftercare planning, escape, notification of victims and witnesses when a juvenile is released or escapes from correctional custody, taking runaways into custody, strip searches and an exception to the open records law when disclosing a record would endanger the security of an institution. This bill applies those laws to juveniles who are placed in a ~~county–operated~~ secured group home in the same manner as those laws apply to juveniles who are placed in a secured correctional facility or a secured CCI ~~operated or contracted for by DOC under current law~~.

***** ANALYSIS FROM –1070/1 *****

~~CORRECTIONAL SYSTEM~~

JUVENILE CORRECTIONAL SYSTEM

Under current law, ~~the department of corrections~~ DOC provides a corrective sanctions program for juveniles who have been placed under the supervision of DOC. Under the corrective sanctions program, DOC must place a participant in the community, provide intensive surveillance of the participant and provide an average of $5,000 per year per slot to purchase community–based treatment services for each participant. This bill reduces the amount that DOC must provide to purchase community–based treatment services for each corrective sanctions program participant to $3,000 per year per slot.

***** ANALYSIS FROM –0440/1 *****

plain header → **~~COURTS AND PROCEDURE~~**

JED

PUBLIC DEFENDER

Under current law, the state public defender (SPD) provides legal representation to indigent persons in criminal, delinquency and certain related cases. The SPD assigns cases either to staff attorneys in the agency's trial division or local private attorneys. A staff attorney working in the trial division is expected to meet ~~one of the following~~ annual caseload standards: ~~184.5 felony cases; 15 first–degree intentional homicide cases; 492 misdemeanor cases; 15 sexually violent person cases; or 246 of all other cases.~~

move to p. 31 before -0062

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This bill provides that beginning on July 1, 2000, the SPD may exempt up to ten staff attorneys in the trial division from the annual caseload standards based on the need of those attorneys to perform other assigned duties.

***** ANALYSIS FROM –1597/3 *****

~~COURTS AND PROCEDURE~~

to the successful litigant

CIRCUIT COURTS

RPN

Under current law, civil litigants generally pay their own attorney fees ~~related to the litigation~~ unless otherwise specified by statute. This is called the "American rule". Current law does provide for limited payment of attorney fees in all civil actions. ~~Currently, the successful litigant~~ in a civil action concerning money damages or property is entitled to attorney fees based on the following schedule:

Amount recovered/value of property	Fee
$1,000 or more	$100

the successful litigant

$500 to $999.99	$ 50
$200 to $499.99	$ 25
Under $200	$ 15

This bill changes the amount of attorney fees allowed in these cases as follows:

Amount recovered/value of property	Fee, not to exceed
Greater than $5,000	$ 500
$1,000 to $5,000	$ 300
Under $1,000	$ 100

~~Current law also allows~~ attorney fees ~~of not less than $15 nor more than $100~~ in cases that do not involve money damages or property. ~~This bill changes those fees to an amount not to exceed~~ $500.

Under current law, certain disbursements (such as those made for the costs of certified copies of public papers or records, postage and depositions) are recoverable by the successful civil litigant, but are limited to $50 for each item. This bill expands the list of disbursements that are recoverable to include items such as overnight delivery and facsimile transmissions and increases the limit to $100 for each item. The bill also increases the amount that the successful civil litigant may recover, for the cost of each expert witness, from $100 to $300 and, for a motion, from $50 to $300.

***** ANALYSIS FROM –0063/2 *****

~~COURTS AND PROCEDURE~~

OTHER COURTS AND PROCEDURE

Under current law, the department of agriculture, trade and consumer protection (DATCP) administers, investigates and enforces certain consumer protection and trade practices laws and prosecutes violations of these laws. These laws include laws prohibiting or regulating methods of competition, fraudulent representations, fraudulent drug advertising, prize notices, mail–order sales, purchases of vegetables and dairy products from farmers and advertising of telecommunication services. A person found to have violated one of these laws is subject to a forfeiture or a fine.

Under current law, a person is subject to a forfeiture if he or she violates a law relating to weights and measures. These include laws against obstructing or hindering a state or local inspector of weights or measures, causing any weight or measure used in the buying or selling of a commodity to be incorrect and removing an official weights and measures inspector's tag from a commodity. If the violation is intentional, the person is subject to a fine.

This bill requires a court to impose an assessment equal to 15% of the fine or forfeiture if the court imposes a fine or forfeiture for a violation of any of these laws or local ordinances enacted pursuant to these laws. The assessments that are collected are deposited in an appropriation to DATCP to pay for providing consumers with information and education.

***** ANALYSIS FROM –1037/2 *****

COURTS AND PROCEDURE

OTHER COURTS AND PROCEDURE

Under current law, when the clerk of circuit court collects a fee from a person commencing a civil action, including garnishment, small claims and forfeiture actions, the clerk is also required to collect a $7 justice information system fee. Four–sevenths of the $7 fee is used to pay the costs incurred by the department of administration (DOA) to develop and operate the automated justice information system, which is used by the director of state courts, circuit courts, the public defender, the department of corrections (DOC) and the department of justice (DOJ) and district attorneys. Two–sevenths of the $7 fee is used to pay the costs incurred by the director of state courts for the operation of the circuit court automated system, the court of appeals automated information system, the supreme court automated information system and for the payment of interpreter fees. The remaining $1 of the fee goes into the general fund without any designated purpose.

This bill raises the justice information system fee from $7 to $9 and uses the additional $2 fee to pay the costs incurred by the director of state courts for the operation of the circuit court automated system, the court of appeals automated information system, the supreme court automated information system and for the payment of interpreter fees.

*** ANALYSIS FROM -1085/4 ***

COURTS AND PROCEDURE

OTHER COURTS AND PROCEDURE

Currently, under the common law doctrine of sovereign immunity, the state is immune from lawsuits, except in certain instances in which laws permit the state to be sued or the enforcement of a federal or constitutional right is involved. State authorities do not enjoy such broad immunity, although narrower grants of immunity are provided to such authorities under various specific laws. Also, in certain limited circumstances, a state governmental officer, employe or agent may be sued for certain acts or omissions even though a lawsuit arising from the same acts or omissions may not be brought against the governmental unit that the officer, employe or agent serves. No punitive damages (damages not resulting from direct or indirect loss but awarded, instead, as punishment for wrongful conduct) may be awarded in any such lawsuit based upon tort (a noncontractual claim based upon alleged wrongful conduct). Damages in tort lawsuits against a state officer, employe or agent are generally limited to $250,000. Currently, with certain exceptions, the state and local governments must pay interest on late payments to vendors.

This bill provides that no person may bring a lawsuit against a state authority or local governmental unit, or an officer, employe or agent of a state or local governmental unit (including a state authority) acting within the scope of his or her employment or agency, for the alleged failure of the authority, unit, officer, employe or agent to plan for, test for, detect, disclose, prevent, report on, reprogram, remediate or otherwise deal with the effects of the failure of a computer system to handle correctly and consistently any date, or the inability of a computer system to correctly interpret, produce, calculate, generate, utilize, manipulate, represent or

account for any date, or for any act or omission related to such an alleged failure for which there would otherwise be liability, if the authority, unit, officer, employe or agent made a good faith effort to address the alleged failure. The bill also provides that any contract entered into on or after the day on which the bill becomes law that contains a contrary provision is void. In addition, the bill provides that the state and local governments are not required to pay interest to vendors on late payments arising from a computational date error failure described above.

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Current law allows up to 15% of the enrollment of the Milwaukee Public Schools (MPS) to attend, at no charge, any private school located in the city of Milwaukee under certain circumstances. The state pays the parent or guardian of the pupil an amount equal to the amount of per pupil aid that MPS receives from the state or an amount equal to the private school's educational cost per pupil, whichever is less. The parent or guardian must endorse the check for the use of the private school. The state reduces the MPS school aid entitlement, for each pupil participating in the program, by the amount of per pupil aid that MPS would otherwise receive.

Under current law, the city of Milwaukee, the University of Wisconsin–Milwaukee and Milwaukee Area Technical College may establish by charter and operate a charter school or may initiate a contract with an individual or group to operate a school as a charter school. For each pupil attending the charter school, the state pays the charter school an amount equal to the shared cost per pupil of MPS and reduces the MPS school aid entitlement by an identical amount.

Current law also generally limits the increase in the total amount of revenue per pupil that a school district may receive from general school aids and property taxes in a school year to $208.88 per pupil in the 1998–99 school year and, in subsequent school years, to the amount of revenue increase allowed per pupil in the previous school year increased by the percentage change in the consumer price index.

This bill eliminates the inflation adjustment beginning in the 1999–2000 school year. The bill sets the amount at $208.88 per pupil for the 1999–2000 school year and for each subsequent school year.

Currently, to determine the allowable revenue increase under the revenue limit, the department of public instruction (DPI) uses a three–year rolling average pupil enrollment, which includes, for MPS, some of the pupils enrolled in the choice program and the charter schools described above.

This bill provides that, beginning with aid paid in the 1999–2000 school year, pupils participating in the choice program or attending one of the charter schools are not counted in the enrollment of MPS for state aid purposes and are not counted in the three–year rolling average for revenue limit purposes. In addition, the MPS school aid entitlement is not reduced as a result of such participation or attendance.

Currently, if a school district's three–year rolling average for the 1998–99 school year is less than the average of the number of pupils enrolled in the school district in the three previous school years, then the school district's revenue limit is increased for the 1998–99 school year by the additional amount that would have been

*** ANALYSIS FROM -1393/3 ***

HEALTH AND HUMAN SERVICES

HEALTH

Under current law, Milwaukee County operates a general assistance medical program funded in part with a general relief block grant.

This bill creates an intergovernmental transfer of funds from Milwaukee County to the state in an amount equal to a portion of Milwaukee County's share of the cost of providing medical services to certain low–income persons. Under the bill, ~~the department of health and family services~~ (DHFS) is required to distribute those funds to health care providers who have contracted with Milwaukee County to provide the health services to those low–income persons. The effect of this structure is to qualify the state for additional ~~medical assistance~~ (MA) moneys from the federal government to be used for supplemental payments to the health care providers.

*** ANALYSIS FROM -0267/P1 ***

HEALTH AND HUMAN SERVICES

HEALTH

Under current law, the department of health and family services (DHFS) administers a statewide immunization program to eliminate mumps, measles, rubella (German measles), diphtheria, pertussis (whooping cough), poliomyelitis and certain other diseases, and to protect against tetanus. The amount that the department is authorized to spend on the statewide immunization program is determined by the amount of funding made available by the federal government for that purpose.

This bill increases the amount that DHFS is authorized to spend for the statewide immunization program in anticipation of increased federal funding for the program.

[redacted]

Under current law, the governmental unit that provides certain public assistance benefits as a result of an injury, sickness or death that creates a claim or cause of action on the part of the public assistance recipient or beneficiary or his or her estate against a 3rd party must be joined by the plaintiff as a party to the claim or action. This is known as subrogation and, as a subrogated party, that governmental unit has the right to recover the amount provided in public assistance benefits from the person's claim. The governmental unit may make a claim or maintain an action or intervene in a claim or action by the recipient, beneficiary or estate against the 3rd party.

Currently, a party that is joined based on subrogation may, among other things, agree to have his or her interests represented by the party who caused the joinder. If this option is selected the subrogated party must sign a written waiver of the right to participate in the action. Under this bill, DHFS need not take any affirmative action in order to have its interests represented by the party causing the joinder.

TAY

Currently, an attorney retained to represent a current or former recipient of public assistance benefits, or the recipient's estate, in asserting a claim that is subrogated, must provide notice of the claim, and of any award or settlement, to the governmental unit that provided the benefits. If an attorney is not representing the current or former recipient of public assistance in asserting a claim that is subrogated, the current or former recipient or his or her guardian most provide the notice. If the recipient is deceased, the personal representative of the recipient's estate, must provide the notice if an attorney is not representing the estate.

This bill requires a person against whom a subrogated claim is made, or that person's attorney or insurance company, to provide notice of the claim, and of any award or settlement, to DHFS if that person, or that person's attorney or insurer, knows or should know that the claim is subrogated because of the provision of MA benefits. Additionally, under this bill, if DHFS or a county is a subrogated party because of the provision of MA benefits, the subrogation creates a lien on the claimant's recovery, equal to the amount of the MA paid as a result of the injury, sickness or death that gave rise to the claim.

*** ANALYSIS FROM -0261/2 ***

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

This bill requires the department of health and family services (DHFS) to request a waiver from the secretary of the federal department of health and human services to permit DHFS to cover clinical evaluation services for certain persons with the human immunodeficiency virus (commonly known as HIV) under the medical assistance program (MA). HIV is the virus that causes acquired immunodeficiency syndrome, or AIDS. The bill limits coverage to $500 per year per person.

*** ANALYSIS FROM -1060/3 ***

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE SIET Sub-head

DNK

Currently, the department of health and family services (DHFS) must annually submit to the joint committee on finance of the legislature (JCF) a report on nursing home bed utilization by medical assistance (MA) recipients for the previous year. If the report indicates that the utilization has decreased, DHFS must include a proposal to transfer funds from the MA general purpose revenues appropriation account to the community options program appropriation account for expenditure for noninstitutional long–term support services. COP

This bill limits the transfer of funds from the MA general purpose revenues appropriation account to the community options program appropriation account to an amount that would not reduce the MA appropriation account balance below the amount necessary to ensure that the appropriation account will end the current fiscal year or the current fiscal biennium with a positive balance. The bill requires that the proposal that DHFS must annually provide to JCF concerning nursing home bed utilization also include a discussion and detailed projection of the likely balances, expenditures, encumbrances and carry over of currently appropriated

governor and the legislature regarding grants made and the hunger prevention activities conducted using those grants.

This bill repeals the community–based hunger prevention grant program. However, under the bill, DHFS is still required to submit to the governor and the legislature by June 30, 2000, a report regarding grants made and the hunger prevention activities conducted using those grants.

***** ANALYSIS FROM –0260/2 *****

HEALTH AND HUMAN SERVICES

OTHER HEALTH AND HUMAN SERVICES

Under current law, the department of health and family services (DHFS) must file a claim against the estate of a recipient of certain health aids for the amount of aid paid to the recipient. If the recipient's spouse or minor or disabled child survives the recipient, and the recipient's estate includes an interest in a home, the probate court must, in the final judgment, assign the interest in the home subject to a lien in favor of DHFS for the amount of DHFS' claim. Currently, small estates are settled or assigned summarily and therefore a final judgment is not entered. Instead, a summary order is entered. It is unclear under current law whether the assignment of the home must be subject to a lien in cases in which there is no final judgment.

This bill states that the lien requirement extends to cases in which assignment of the home is made by summary order.

***** ANALYSIS FROM –0536/1 *****

HEALTH AND HUMAN SERVICES

OTHER HEALTH AND HUMAN SERVICES

Under current law, the department of workforce development (DWD) will assume responsibility on January 1, 1999, which is the date published by DWD in the Wisconsin Administrative Register as the date for the transfer of responsibilities from the clerks of court for receiving and disbursing child support, maintenance, family support and other support–related payments. A payer of support or maintenance is required by statute to pay an annual receipt and disbursement fee of $25 to DWD. The bill provides that the receipt and disbursement fee must be paid by wage assignment, just as support and maintenance payments are paid. In addition, the bill authorizes DWD to collect any annual fee payment that was owed to a clerk of court, that was not paid to the clerk and that is shown on DWD's automated payment and collection system on December 31, 1998. The unpaid fees may be collected by wage assignment, or DWD may move the court for a contempt of court sanction if wage assignment is inapplicable or ineffective.

Current law provides that each order for child or family support, maintenance or spousal support is an automatic assignment of a person's wages to DWD (or the clerk of court before January 1, 1999) in an amount that is sufficient to ensure payment of the amount under the order, as well as any arrearages due at a periodic rate that does not exceed 50% of the amount due under the order, as long as the additional amount for arrearages does not leave the person at an income below the federal poverty line. Current law also provides that, if an assignment does not require immediately effective withholding and the payer misses a payment, the court

calculated had the decline in the three–year rolling average enrollment been 25% of what it was. This bill extends this one–year revenue limit increase for declining enrollment to subsequent school years.

Current law generally provides that the membership of a school district in the previous school year must be used to calculate general school aid for the current school year. The membership of MPS, however, includes pupils in the choice program in the current school year who were enrolled in grades kindergarten to three in a private school located in Milwaukee in the previous school year and who did not participate in the choice program. This bill eliminates these additional choice pupils from MPS enrollment for calculating general state aid.

Under current law, the amount in the general school aid appropriation is a sum sufficient for the payment of general school aid, less the amount of money appropriated for additional aid for county handicapped children's education boards. This bill provides that the general school aid appropriation is a sum sufficient for the payment of general school aid, less this additional aid and less an amount equal to the cost of the choice program and the cost of the charter schools described above.

***** ANALYSIS FROM –1309/4 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Current law provides special state aid adjustments for certain school districts that would receive less aid in the current school year than they received in the previous school year. More specifically, if a school district would receive less than 85% of the state aid for the current school year than it received as state aid in the previous school year, its state aid for the current school year is increased to an amount equal to 85% of the state aid received in the previous school year. If a school district would receive less in state aid in the current school year than an amount equal to the aid that it received in the previous school year minus $1,000,000, its state aid for the current school year is increased to an amount equal to the state aid that it received in the previous school year minus $1,000,000. If a school district is eligible for both of these special state aid adjustments, the school district's state aid is increased to an amount equal to 85% of the state aid that the school district received in the previous school year. A school district is entitled to receive a special state aid adjustment only if the additional aid does not result in a state aid payment greater than the school district's shared cost (the portion of a school district's costs that are aided by the state).

This bill provides that if a school district is eligible for both special state aid adjustments, the school district receives the greater adjustment, if the additional aid does not result in a state aid payment greater than the school district's shared cost.

Current law generally limits the increase in the total amount of revenue per pupil that a school district may receive from general school aids and property taxes. The department of public instruction (DPI) may adjust a school district's revenue limit upwards or downwards for a number of contingencies, including transfers of service responsibilities between a school district and another governmental unit and changes in a school district's boundaries. Any school district with a base revenue per pupil for the previous school year that was less than a revenue ceiling of $6,100

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(low–revenue district) may increase its revenues up to the revenue ceiling. A low–revenue district is not subject to a revenue limit and its concomitant adjustments.

This bill directs DPI to adjust the revenue ceiling of a low–revenue school district as if the revenue ceiling constituted a revenue limit.

Under current law, if a school district exceeds its revenue limit without referendum approval, DPI must reduce the school district's state equalization aid payment by the excess revenue amount. DPI imposes the penalty in the same school year in which the school district raised the excess revenue. The withheld aid amount lapses to the state's general fund. If a school district's equalization aid is less than the penalty amount, DPI must reduce the school district's other state aid payments until the remaining excess revenue is covered. If the aid reduction is still insufficient to cover the excess revenues, DPI must order the school board to reduce the property tax levy by an amount equal to the remainder of the excess amount or refund the amount with interest, if taxes have already been collected. If the school board violates the order, any resident of the school district can seek an injunction. DPI does not include the excess revenue in the school district's base.

This bill imposes these same penalties on low–revenue school districts that exceed their revenue ceilings.

***** ANALYSIS FROM –1351/3 *****

MJL & PG

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, a charter school is exempt from most laws governing public schools. A charter school may be established by petitioning a school board to enter into a contract with a person to establish and operate a charter school or by a school–board initiated contract. In addition, the city of Milwaukee, the University of Wisconsin–Milwaukee (UW–M) and the Milwaukee Area Technical College may establish and operate a charter school or contract with person to operate a charter school (Milwaukee charter schools).

Current law requires each school board to adopt either its own academic standards or the academic standards contained in the governor's executive order issued January 13, 1998, and to administer fourth and eighth grade promotional examinations to fourth and eighth grade pupils enrolled in the school district, including pupils enrolled in charter schools located in the school district. Beginning in the 2000–01 school year, each school board must also administer a high school graduation examination that is designed to measure whether pupils have met the academic standards adopted by the school board. A school board may either adopt examinations developed by the department of public instruction (DPI) or develop its own examinations. A school board must notify DPI if it adopts its own high school graduation examination instead of the high school graduation examination developed by DPI, and it must determine the high school grades in which the examination is administered each school year.

This bill provides that a school board must administer the high school graduation examination to all pupils enrolled in a charter school located in the school district other than a Milwaukee charter school. The bill also provides that the

described above

operator of a Milwaukee charter school must adopt academic standards and administer fourth, eighth and high school graduation examinations to pupils enrolled in the charter school. The operator may either adopt DPI's examinations or develop its own. In addition, the bill requires a school board or the operator of a Milwaukee charter school to notify DPI annually by October 1 if it intends to administer its own high school graduation examination in the following school year and provides that, beginning in the 2001–02 school year, the high school graduation examination must be administered only to 11th and 12th graders.

Current law requires each school board and operator of a Milwaukee charter school to administer the tenth grade examination developed by DPI to all tenth graders enrolled in the school district or the charter school. This requirement does not apply after the 2000–01 school year. This bill eliminates the expiration of the tenth grade examination requirement.

Under current law, beginning September 1, 2002, a school board may not grant a high school diploma to a pupil unless he or she passes the high school graduation examination. Beginning July 1, 2002, a pupil may not be promoted from the fourth to the fifth grade or from the eighth to the ninth grade unless the pupil passes the fourth and eighth grade promotional examinations. A pupil's parent or guardian, however, may excuse a pupil from taking these examinations. A pupil who is excused must satisfy alternative criteria for promotion or graduation.

This bill imposes upon operators of Milwaukee charter schools the same prohibitions against promotion that are imposed upon school boards. Finally, the bill eliminates the authority of a pupil's parent or guardian to excuse the pupil from taking the high school graduation examination.

mJL 1 PG

***** ANALYSIS FROM –1264/1 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Currently, one statutory provision directs school boards that operate high school grades to begin administering the high school graduation examination in the 2000–01 school year. Another statute requires the examination to be administered beginning in the 1999–2000 school year.

This bill eliminates the latter provision, thus requiring the examination to be administered beginning in the 2000–01 school year.

***** ANALYSIS FROM –1381/3 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill provides that, beginning in 2001, no public school may commence its school term until September 1. The bill specifies that the prohibition does not prevent a school board from holding athletic contests or practices before that date, scheduling in–service days or work days before that date or holding school year–round.

***** ANALYSIS FROM –1859/2 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill eliminates the reimbursement rates for handicapped education costs and school age parents program costs of 63% for program staff and transportation costs and 51% for the costs of psychologists and social workers. The bill directs that aidable costs be fully reimbursed, subject to the availability of funds.

***** ANALYSIS FROM –1724/2 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, a school board, board of control of a cooperative educational service agency (CESA) or a county children with disabilities education board is eligible for special education aid if the state superintendent of public instruction (state superintendent) is satisfied that the special education program has been maintained according to law. This aid is equal to a percentage of the amount expended on special education costs in the preceding school year.

This bill provides that the operator of a charter school sponsored by the city of Milwaukee, the University of Wisconsin–Milwaukee and the Milwaukee Area Technical College is eligible for special education aid if the operator operates a special education program and the state superintendent is satisfied that the operator has complied with federal special education law (the Individuals With Disabilities In Education Act) as though the operator were a school board. The bill directs the state superintendent to reimburse the operator fully in the current school year for the costs of the special education program, subject to availability of funds.

***** ANALYSIS FROM –1354/2 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, a charter school is exempt from most laws governing public schools. A charter school may be established by, among other things, petitioning the school board to enter into a contract with a person to establish and operate a charter school. Within 30 days after receiving a charter school petition, the school board must hold a public hearing on the petition. The Milwaukee Public Schools board (MPS board) must grant or deny a petition to establish a charter school within 30 days after the public hearing. If the MPS board denies the petition, the person seeking to establish a charter school may, within 30 days of the denial, appeal the denial to the state superintendent of public instruction, who must decide the appeal within 30 days after receiving it.

This bill requires all school boards to grant or deny a charter school petition within 30 days after the public hearing and permits the person seeking to establish a charter school to appeal a denial of a charter school petition to the state superintendent.

***** ANALYSIS FROM –1355/1 *****

described above

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EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, the city of Milwaukee, the University of Wisconsin–Milwaukee and the Milwaukee Area Technical College may establish and operate charter schools or contract with a person to operate charter schools. These charter schools are not instrumentalities of the Milwaukee Public Schools (MPS), and the MPS board may not employ any personnel for these charter schools. If, however, the city of Milwaukee contracts with an individual or group operating for profit to operate a charter school, the charter school is an instrumentality of MPS and the MPS board must employ all personnel for the charter school.

This bill provides that if the city of Milwaukee contracts with an individual or group operating for profit to operate a charter school, the charter school is not an instrumentality of MPS, and the MPS board may not employ any personnel for the charter school.

***** ANALYSIS FROM -1356/5 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

the

Current law authorizes the Milwaukee Public Schools (MPS) board to contract with any nonsectarian private school located in the city to provide educational programs for pupils enrolled in the school district (educational services statute). The MPS board may also close any school that it determines is low in performance (school closing statute). If the MPS board closes a school or reopens a school that has been closed, the superintendent of schools may reassign the school's staff without regard to seniority in service. In addition, the MPS board is prohibited from bargaining collectively with respect to: 1) the board's decision to contract with a private nonsectarian school or private nonsectarian agency in the city to provide educational programs to pupils, or the impact of any such decision on the wages, hours or conditions of employment of the employes who perform those services; or 2) the reassignment of employes who perform services for the board, with or without regard to seniority, as the result of a decision of the board to close or reopen a school, or the impact of any such reassignment on the wages, hours or conditions of employment of the employes who perform those services (collective bargaining statute).

or to contract with a person to operate a charter school or convert a school to a charter school,

above provisions

This bill extends the educational services, school closing and collective bargaining statutes to cover all school boards.

***** ANALYSIS FROM -2039/2 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

achievement

Beginning in the 1996–97 and 1998–99 school years, a school board having a school with an enrollment that was at least 50% low–income in the previous school year was permitted to enter into a five–year guarantee contract with the department of public instruction (DPI) on behalf of one school in the school district (and up to ten schools in the Milwaukee Public Schools) if, among other things, in the previous school year that school had an enrollment that was at least 30% low–income. Under these contracts (which expire in the 2000–01 and 2002–03 school years, respectively,

the school district must reduce class size and improve academic achievement in grades kindergarten to three in exchange for receiving state aid.

This bill permits a school board to enter into five–year achievement guarantee contract beginning in the 2000–01 school year on behalf of one or more schools if, among other things, in the previous school year a school in the school district had an enrollment that was at least 50% low–income and each school on whose behalf the school board contracts had an enrollment that was at least 62% low–income (80% low–income for the Milwaukee Public Schools).

***** ANALYSIS FROM –1353/1 *****

~~EDUCATION~~

~~PRIMARY AND SECONDARY EDUCATION~~

Under current law, a school board may request ~~the department of public instruction~~ (DPI) to waive school board or school district requirements, except those pertaining to, among other things, teacher licensing. This bill permits a school board to request a waiver of the teacher licensing requirement.

***** ANALYSIS FROM –1352/1 *****

~~EDUCATION~~

~~PRIMARY AND SECONDARY EDUCATION~~

This bill prohibits the state superintendent of public instruction from renewing a teaching license unless the person seeking renewal has received training in educational technology.

***** ANALYSIS FROM –1380/2 *****

~~EDUCATION~~

~~PRIMARY AND SECONDARY EDUCATION~~

Current law directs ~~the department of public instruction~~ (DPI) to award a $2,000 grant in the 1999–2000 school year to any person who is certified by the National Board for Professional Teaching standards (NBPTS) before July 1, 2000, and satisfies several additional conditions. In the 2000–01 school year, DPI must award a $2,500 grant to each person who received a $2,000 grant, maintains his or certification by the NBPTS and satisfies several additional conditions.

This bill eliminates all of the above dates. Under the bill, a person who becomes certified by the NBPTS receives the initial $2,000 grant in the school year in which he or she becomes certified. The bill directs DPI to award the person a $2,500 grant in each of the succeeding nine years.

***** ANALYSIS FROM –1193/2 *****

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, referenda are required or authorized to be held by school districts ~~in order~~ to incur debt or exceed state revenue limits, or to exceed the levy rate limit for a school construction fund that is applicable only to ~~the Milwaukee Public Schools~~. Currently, these referenda are required or authorized to be held at special elections when no offices appear on the ballot.

This bill provides that such referenda must be held concurrently with the spring election (held in each year) or the general election (held in each

even–numbered year), or on the Tuesday after the first Monday in November in an odd–numbered year.

*** ANALYSIS FROM –1385/2 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Current law directs the department of public instruction (DPI), the department of administration (DOA) and the legislative fiscal bureau (LFB) to jointly estimate the amount necessary to appropriate as general school aid to ensure that the total amount of state aid received by all school districts equals two–thirds of total school district revenues from state aid and property taxes.

This bill provides that the amounts received by school districts to compensate them for the reduction in their tax bases due to the property tax exemption for computers is included in the calculation of school district revenues.

*** ANALYSIS FROM –0674/1 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, the state superintendent of public instruction (state superintendent) administers the following alcohol and other drug abuse prevention and intervention grant programs for school districts: the drug abuse resistance education program, the grants for families and schools together program, the pupil alcohol and other drug abuse program projects and the after–school and summer school programs. Current law limits the amount the state superintendent may award under each grant program.

This bill consolidates the alcohol and other drug abuse prevention and intervention programs into one grant program administered by the state superintendent and allows a school board to apply for a grant to fund any kind of alcohol and other drug abuse prevention and intervention program. In addition, the bill does not limit the amount of each grant that the state superintendent may award.

*** ANALYSIS FROM –2038/1 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill creates a grant program under which the state superintendent of public instruction awards grants to school districts, cooperative educational service agencies (CESAs) and other persons for staff development.

*** ANALYSIS FROM –1579/1 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill directs the state superintendent of public instruction to consult with the technology for educational achievement in Wisconsin board (TEACH) before awarding school technology resource grants. School technology resource grants are funded with federal moneys and are awarded to school districts for various educational technology purposes.

*** ANALYSIS FROM –1732/1 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Current law authorizes the state superintendent of public instruction to award a grant to a nonprofit corporation to fund partially the costs of planning, developing and operating a youth village program. A youth village program is a residential program that provides an alternative education experience for pupils whose home or social environment seriously interferes with their educational progress and who are functioning below their grade level in basic academic skills, are behind in academic credits or have a record of poor grades or attendance problems.

This bill eliminates the youth village grant program.

*** ANALYSIS FROM –1977/2 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill directs the department of public instruction (DPI) to award grants to school districts for smoking prevention programs in grades kindergarten to eight. A grant may not exceed $10,000.

*** ANALYSIS FROM –1569/4 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, the department of public instruction (DPI) distributes funds to head start agencies, which provide comprehensive health, educational, nutritional, social and other services to economically disadvantaged children and their families. DPI must give preference in funding to agencies that are receiving funds under the federal head start program. DPI's head start appropriation is an annual appropriation funded by general purpose revenues.

This bill changes DPI's head start appropriation to a continuing appropriation funded by moneys from the federal temporary assistance for needy families block grant. The bill also directs DPI to give preference in funding to agencies that are receiving funds under the federal head start program and to agencies that operate full–time or early head start programs.

*** ANALYSIS FROM –0976/4 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, an alternative school for American Indians in a federally assisted private school or tribally operated school with an enrollment of at least 75% American Indians may voluntarily establish an American Indian language and culture education program. If the alternative school meets certain management and accounting criteria, it is eligible to receive $185 from the department of public instruction (DPI) for each pupil who has completed the fall semester in the program of instruction. This bill increases the aid for which the alternative school is eligible to $200 per pupil and provides that this aid is paid from an appropriation funded by the Indian gaming compact revenues.

*** ANALYSIS FROM –1277/5 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, a pupil who transfers from one school district to another under the special transfer program (commonly known as chapter 220) is counted as one pupil for state aid and revenue limit purposes by the school district in which the pupil resides.

This bill provides that each transfer pupil is counted by the school district in which he or she resides as one–half pupil for state aid and revenue limit purposes.

*** ANALYSIS FROM –1992/1 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, a school district that participates in the intradistrict special transfer program, which allows pupils to attend public school outside their attendance area in order to reduce racial imbalance in the school district, receives additional state aid.

This bill requires the Milwaukee public school district to use at least 10% of the intradistrict aid that it receives in each school year to build or lease neighborhood schools.

*** ANALYSIS FROM –2024/3 ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Under current law, the department of public instruction (DPI) distributes funds to the Milwaukee Public Schools (MPS) for a variety of early childhood education programs. DPI's appropriation for this purpose is funded with general purpose revenues.

This bill funds a majority of the programs with moneys from the federal temporary assistance for needy families block grant.

*** ANALYSIS FROM –1816/2 ***

STATE GOVERNMENT

STATE FINANCE

Under current law, the University of Wisconsin Hospitals and Clinics Authority (UWHCA) is prohibited from issuing bonds and incurring additional indebtedness if the aggregate amount of the UWHCA outstanding bonds, together with all other indebtedness of UWHCA, exceeds $50,000,000. This bill increases this amount to $90,000,000.

In addition, the bill prohibits UWHCA from issuing any new bonds for the purpose of purchasing a clinic or a hospital.

*** ANALYSIS FROM –1806/3 ***

EDUCATION

HIGHER EDUCATION

Under current law the department of administration (DOA) administers the college tuition prepayment program, which allows an individual, a trust or a legal

guardian to purchase tuition units from DOA. The tuition units, which are priced so that the value at maturity of 100 units will be equal to one year of estimated average tuition at a University of Wisconsin (UW) System campus, may be redeemed in the future to pay tuition at any accredited institution of higher education in the United States.

This bill transfers administration of the college tuition prepayment program from DOA to the state treasurer. The bill also makes two modifications to the program. Under current law, if a contract is terminated, under certain circumstances DOA may not issue a refund for one year and may not issue a refund of more than 100 tuition units in any year. This bill eliminates these restrictions. The bill also clarifies that tuition units may be used to pay mandatory student fees.

***** ANALYSIS FROM –1077/1 *****

EDUCATION

HIGHER EDUCATION

Under current law, the board of regents of the University of Wisconsin (UW) System may exempt up to 200 students at the UW–Parkside and up to 150 students at the UW–Superior from nonresident tuition in programs identified as having surplus capacity. This tuition award program (TAP) terminates at the end of the 1998–99 academic year. This bill extends the termination date of TAP until the end of the 2000–01 academic year.

***** ANALYSIS FROM –1993/1 *****

This bill directs the board of regents of the University of Wisconsin (UW) System to allocate $1,000,000 from the UW System's general program operations appropriation in each year of the biennium to advance the work of the UW center for tobacco research and intervention.

***** ANALYSIS FROM –1542/2 *****

EDUCATION

HIGHER EDUCATION

This bill enumerates in the 1999–2001 state building program a full–scale aquaculture demonstration facility to be built at Ashland and to be operated by the board of regents of the University of Wisconsin (UW) System. Under the bill, $3,000,000 in program revenue supported borrowing is authorized for the construction of the facility. The program revenue that will support the borrowing consists of moneys received by the state from the Indian gaming compacts.

***** ANALYSIS FROM –2007/1 *****

EDUCATION

HIGHER EDUCATION

Current law directs the technical college system board to administer, or contract for the administration of, the telecommunications retraining program. Under the program, which is funded by contributions from telecommunications companies, certain telecommunications industry workers are eligible to receive grants for retraining. Under current law, the program expires at the end of the 1998–99 fiscal year.

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This bill extends the expiration date of the program to June 30, 2000, and requires additional contributions from telecommunications companies if the telecommunications retraining board determines that additional contributions are necessary.

*** ANALYSIS FROM -1111/1 ***

EDUCATION

HIGHER EDUCATION TCS

This bill directs the ~~technical college system~~ board to produce an annual statewide guide containing information on all of the technical colleges and their programs and to distribute it to students, parents, high school personnel and others. For this purpose, the bill authorizes the board to use up to $125,000 of the amount appropriated each fiscal year as state aid for the technical colleges.

*** ANALYSIS FROM -1888/2 ***

EDUCATION

HIGHER EDUCATION TCS

This bill directs the ~~technical college system~~ board to award a grant in the 1999–2001 fiscal biennium to the Waukesha County Technical College for the development of its printing program.

*** ANALYSIS FROM -1696/7 ***

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the educational communications board (ECB) is responsible for overseeing and coordinating the provision of public broadcasting to Wisconsin. In addition, the board of regents of the University of Wisconsin (UW) System (board), as licensee, must manage, operate and maintain a radio and television station and provide the ECB part–time use of equipment and space necessary for the operations of the state educational radio and television networks.

This bill directs the secretary of administration (secretary), the president of the UW System and one person chosen by the governor to draft and file articles of incorporation for a nonstock, nonprofit educational broadcasting corporation and to take all actions necessary to exempt the corporation from taxation under the Internal Revenue Code. In addition, these persons must prepare and submit to the joint committee on finance (JCF) for JCF's approval an operational plan for the corporation that includes a list of those persons employed by the board and the ECB who are best–suited to provide educational broadcasting services for the corporation and an estimate of the level of funding necessary to cover the corporation's annual operating expenses.

The corporation is entitled to receive state aid for initial administrative expenses if the articles of incorporation of the corporation state that the purpose of the corporation is to provide educational broadcasting to this state and that, if the corporation dissolves or discontinues educational broadcasting to this state, the corporation must in good faith take all reasonable measures to transfer or assign the corporation's assets, licenses and rights to an entity whose purpose is to advance educational broadcasting in this state; the articles of incorporation name as initial

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directors the secretary, two representatives to the assembly, two senators, a member of the board and three individuals selected by the governor; and the initial board of directors of the corporation submits an application to the federal communications commission (FCC) to transfer all broadcasting licenses held by ECB and the board to the corporation.

If the FCC approves the transfer of all broadcasting licenses held by the ECB and the board to the corporation, the ECB is eliminated on the effective date of the transfer of the broadcasting licenses. In addition, the corporation is entitled to receive additional state aid for operational expenses if the board of directors of the corporation offers employment beginning on the effective date of the transfer of all of the broadcasting licenses to those individuals designated in the operational plan; ~~the board of directors of the corporation honors affiliation agreements entered into by the ECB and the board;~~ the board of directors of the corporation negotiates with the board and the secretary for the use of state–owned equipment and space necessary for the operations of educational radio and television networks; the secretary approves any amendment to the corporation's articles of incorporation or bylaws; ~~the corporation permits public access to its records to the same extent as required of a state agency; the corporation provides public notice of and permits public access to its meetings to the same extent as required of a state agency; and the corporation provides employes of the legislative audit bureau with access to all of its records.~~

~~Finally, the bill directs the legislative audit bureau to audit the records of the corporation at least once every five years.~~

***** ANALYSIS FROM –1938/1 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

This bill requires the department of administration (DOA) to prepare a report on the privatization of state–owned and state–leased communications towers that are used for public broadcasting, except for the Milwaukee area technical college tower. ~~The report must include an inventory of such towers and~~ a plan for implementing privatization. No later than June 30, 2000, DOA must submit the report to the joint committee on finance (JCF). If the cochairpersons of JCF do not notify DOA within 14 days after submittal that a meeting has been scheduled to review the report, DOA may implement the plan included in the report. However, if the cochairpersons notify DOA within 14 days after submittal that a meeting has been scheduled, DOA may implement the plan only upon JCF's approval.

***** ANALYSIS FROM –0250/4 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, moneys from the universal service fund (fund) that are appropriated to provide educational telecommunications support to school districts, cooperative educational service agencies (CESAs) and technical college districts are maintained in a single appropriation account and moneys from the fund that are appropriated to provide such support to private colleges and public library boards are

INSERT 45–MDK:

Under current law, the public service commission (PSC) requires certain telecommunications providers to make contributions to the universal service fund (fund). Moneys in the fund are required to be used for programs administered by the PSC for programs to promote universal access to telecommunications services and affordable access to high–quality education, library and health care information services, including a program for providing institutions with support payments for certain telecommunications services (institutional assistance program), and for certain other PSC programs. In addition, the fund is also used for certain programs administered by the technology for educational achievement in Wisconsin board (TEACH board), including an educational telecommunications access program for providing data lines and video links to certain educational institutions. The PSC is required to promulgate rules for the educational telecommunications access program.

This bill eliminates the requirement for the PSC to use moneys in the fund to promote affordable access to high–quality education, library and health care information services. The bill also transfers the institutional assistance program to the TEACH board, which must provide support payments to eligible institutions as determined by the PSC. In addition, all of the PSC's duties regarding the educational telecommunications access program, except the PSC's duties regarding requiring telecommunications providers to contribute to the fund, are transferred to the TEACH board.

Under this bill, the following educational agencies may also participate in the educational telecommunications access program: federated and consolidated public library systems and the Wisconsin Schools for the Visually Handicapped and the Deaf. The bill also allows any educational agency that participates in the program to obtain access to more than one data line if it can show to the satisfaction of the TEACH board that the additional lines are more cost–effective than a single line. In addition, an educational institution that obtains access to a data line under the program may enter into a shared service agreement with a city, village, town or county (political subdivision) that provides the political subdivision with access to any excess bandwidth on the data line that the educational institution does not use. A political subdivision that obtains access to bandwidth may not receive compensation for providing access to the bandwidth to any other person and no moneys from the fund may be used to pay installation costs that are necessary to provide a political subdivision with access to the bandwidth. The bill also prohibits an educational institution from requesting access to an additional data line under the program for the purpose of providing a political subdivision with access to excess bandwidth and from providing access to a data line under the program to a private business entity.

INSERT [illegible]:

maintained in another appropriation account. Under this bill, the moneys appropriated for technical college districts are maintained in the same account as the moneys appropriated for private colleges and public library boards.

Under current law, the technology for educational achievement in Wisconsin board (TEACH board), in cooperation with the public service commission (PSC) and the department of administration (DOA), administers an educational telecommunications access program for providing data lines and video links to certain educational institutions, including public library boards. Under this bill, federated and consolidated public library systems are also eligible to participate in the program.

Under current law, the PSC is required to promulgate rules for an educational telecommunications access program under which certain educational agencies are provided with financial assistance from the fund to obtain access to either one data line or video link, except that school districts that operate more than one high school may be provided with access to more than one data line or video link under the program. The PSC requires telecommunications providers to make contributions to the fund, which is also used for other programs that promote universal access to telecommunications services.

Under this bill, all of the PSC's duties regarding the educational telecommunications access program, except the PSC's duties regarding requiring telecommunications providers to contribute to the fund, are transferred to the TEACH board. In addition, the bill allows any educational agency to obtain access to more than one data line under the program if it can show to the satisfaction of the TEACH board that the additional lines are more cost–effective than a single line.

***** ANALYSIS FROM –1950/4 *****

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, the public service commission (PSC) requires certain telecommunications providers to make contributions to the universal service fund (fund). Moneys in the fund are required to be used for programs administered by the PSC for programs to promote universal access to telecommunications services and affordable access to high–quality education, library and health care information services, including a program for providing institutions with support payments for certain telecommunications services (institutional assistance program), and for certain other PSC programs. In addition, the fund is also used for certain programs administered by the technology for educational achievement in Wisconsin board (TEACH board).

This bill eliminates the requirement for the PSC to use moneys in the fund to promote affordable access to high–quality education, library and health care information services. The bill also transfers the institutional assistance program to the TEACH board, which must provide support payments to eligible institutions as determined by the PSC.

***** ANALYSIS FROM –1561/1 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Current law directs the technology for educational achievement in Wisconsin board to award educational technology training and technical assistance grants, on a competitive basis, to cooperative educational service agencies (CESAs) and to consortia consisting of two or more school districts or CESAs, or one or more school districts or CESAs and one or more public library boards. This bill requires that at least one grant be awarded annually to an applicant located in the territory of each CESA.

*** ANALYSIS FROM –1508/2 ***

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the technology for educational achievement in Wisconsin board (TEACH) administers an educational telecommunications access program that allows certain educational institutions to obtain access to data lines and video links that are provided by suppliers under contract with the department of administration (DOA). Under the program, an educational institution may pay no more than a specified monthly maximum charge for access and any access costs in excess of this charge are paid from the universal service fund.

Under this bill, an educational institution that obtains access to a data line under the program may enter into a shared service agreement with a city, village, town or county (political subdivision) that provides the political subdivision with access to any excess bandwidth on the data line that the educational institution does not use. A shared service agreement under the bill is not valid unless it provides that the educational institution may cancel the agreement after providing notice to the political subdivision. In addition, a political subdivision that obtains access to bandwidth may not receive compensation for providing access to the bandwidth to any other person. Also, no moneys from the universal service fund may be used to pay installation costs that are necessary to provide a political subdivision with access to the bandwidth.

The bill also prohibits an educational institution from requesting access to an additional data line under the program for the purpose of providing a political subdivision with access to excess bandwidth and from providing access to a data line under the program to a private business entity.

*** ANALYSIS FROM –1507/3 ***

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, certain educational agencies may request financial assistance that is administered by the technology for educational achievement in Wisconsin board (TEACH board) for access to either one data line or video link. This bill specifies that, the Wisconsin Schools for the Visually Handicapped and the Deaf are also eligible for such financial assistance.

*** ANALYSIS FROM –1769/2 ***

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The bill also directs the TEACH board, beginning in the 2000–01 fiscal year, to award at least one grant in each fiscal year to an educational organization or consortium of educational organizations for the development and implementation of a foreign language instruction program in a public school in grades kindergarten to six.

1 ~~INSERT 47–MDK:~~

Under current law, HEAB administers a grant program for postsecondary resident students enrolled at least half–time in accredited higher education institutions in this state (Wisconsin higher education grant program). Students at tribal colleges are not eligible for grants under this program. HEAB is required to promulgate rules establishing policies and procedures for determining dependent and independent student status and calculating expected parental and student contributions under the program. In addition, current law specifies a method for HEAB to award grants to dependent students under the program. Also under current law, HEAB administers a tuition grant program for students enrolled at accredited, nonprofit, post–high school educational institutions and tribal colleges (tuition grant program). In addition, HEAB administers a grant program to assist those Indian students who are residents of this state to receive a higher education (Indian assistance grant program). Grants under the Indian assistance grant program are based on financial need. One–half of each such grant is paid by the state with general purpose revenue; the other half is contributed by Indian tribes or bands.

Under this bill, students at tribal colleges are eligible for grants under the Wisconsin higher education grant program, but not for grants under the tuition grant program. The bill appropriates money derived from the Indian gaming compacts to pay for the grants awarded to tribal college students under the Wisconsin higher education grant program and to pay the state's share of each grant under the Indian assistance grant program. In addition, the bill eliminates the requirement for HEAB to promulgate the rules regarding student status and expected contributions under Wisconsin higher education grant program, as well as the method specified for awarding grants to dependent students. The bill requires instead that HEAB award grants under the Wisconsin higher education program based on a formula that accounts for expected parental and student contributions.

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EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

This bill directs the technology for educational achievement in Wisconsin (TEACH) board, beginning in the 2000–01 fiscal year, to award at least one grant in each fiscal year to an educational organization or consortium of educational organizations for the development and implementation of a foreign language instruction program in a public school in grades kindergarten to six.

***** ANALYSIS FROM –0251/2 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the Wisconsin advanced telecommunications foundation (foundation) provides funding for certain advanced telecommunications technology application projects and for efforts to educate telecommunications users about advanced telecommunications services. This bill allows the ~~technology for educational achievement in Wisconsin board~~ (TEACH board) to contract with the foundation to provide administrative services to the foundation.

***** ANALYSIS FROM –0247/1 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the state superintendent of public instruction and the secretary of administration are members of the technology for educational achievement in Wisconsin board (TEACH). This bill allows the superintendent and the secretary to designate persons to serve as members on TEACH in their place.

***** ANALYSIS FROM –0249/1 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the technology for educational achievement in Wisconsin board (TEACH board) administers a loan program under which it makes subsidized loans to school districts and public library boards for the purpose of upgrading electrical wiring in certain school and library facilities and installing and upgrading computer network wiring. A school district's or public library board's total payments on such a loan may not exceed 50% of the total debt service of the loan.

This bill revises the loan program so that the TEACH board provides financial assistance to school districts and public library boards for the same purposes. The TEACH board may make a subsidized loan for 50% of the financial assistance and a grant for the remainder of the assistance.

***** ANALYSIS FROM –1516/4 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the educational approval board (EAB), which is attached to the higher educational aids board (HEAB), approves and supervises education and training of veterans under certain programs under federal law. In addition, EAB also

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regulates certain schools, including certain proprietary schools, and the solicitation of students by such schools.

This bill eliminates EAB and transfers its functions regarding veterans education and training to the department of veterans affairs (DVA). The bill transfers all of the other functions of the board to HEAB. The bill also creates an educational approval council that advises HEAB in carrying out its duties under the bill.

***** ANALYSIS FROM –1517/4 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the higher educational aids board (HEAB) administers a grant program for postsecondary resident students enrolled at least half–time in accredited higher education institutions in this state (Wisconsin higher education grant program). Students at tribal colleges are not eligible for grants under this program. HEAB also administers a tuition grant program for students enrolled at accredited, nonprofit, post–high school educational institutions and tribal colleges (tuition grant program).

Under this bill, students at tribal colleges are eligible for grants under the Wisconsin higher education grant program, but not for grants under the tuition grant program. The bill appropriates money derived from the Indian gaming compacts to pay for the grants awarded to tribal college students under the Wisconsin higher education grant program.

***** ANALYSIS FROM –1518/3 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Currently, the higher educational aids board (HEAB) administers a grant program to assist those Indian students who are residents of this state to receive a higher education. Grants are based on financial need. One–half of each grant is paid by the state with general purpose revenue; the other half is contributed by Indian tribes or bands.

This bill appropriates money derived from the Indian gaming compacts to pay the state's share of each grant.

***** ANALYSIS FROM –1947/1 *****

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the higher educational aids board (HEAB) administers a higher education grant program for awarding grants to certain students at institutions of higher education in this state. Current law requires HEAB to promulgate rules establishing policies and procedures for determining dependent and independent student status and calculating expected parental and student contributions. In addition, current law specifies a method for HEAB to award grants to dependent students.

must

under this program

This bill eliminates the requirement for HEAB to promulgate the rules regarding student status and expected contributions. The bill also eliminates the

The bill also directs the TEACH board, beginning in the 2000–01 fiscal year, to award at least one grant in each fiscal year to an educational organization or consortium of educational organizations for the development and implementation of a foreign language instruction program in a public school in grades kindergarten to six.

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Under current law, HEAB administers a grant program for postsecondary resident students enrolled at least half time in accredited higher education institutions in this state (Wisconsin higher education grant program). Students at tribal colleges are not eligible for grants under this program. HEAB is required to promulgate rules establishing policies and procedures for determining dependent and independent student status and calculating expected parental and student contributions under the program. In addition, current law specifies a method for HEAB to award grants to dependent students under the program. Also under current law, HEAB administers a tuition grant program for students enrolled at accredited, nonprofit, post–high school educational institutions and tribal colleges (tuition grant program). In addition, HEAB administers a grant program to assist those Indian students who are residents of this state to receive a higher education (Indian assistance grant program). Grants under the Indian assistance grant program are based on financial need. One–half of each such grant is paid by the state with general purpose revenue; the other half is contributed by Indian tribes or bands.

Under this bill, students at tribal colleges are eligible for grants under the Wisconsin higher education grant program, but not for grants under the tuition grant program. The bill appropriates money derived from the Indian gaming compacts to pay for the grants awarded to tribal college students under the Wisconsin higher education grant program and to pay the state's share of each grant under the Indian assistance grant program. In addition, the bill eliminates the requirement for HEAB to promulgate the rules regarding student status and expected contributions under the Wisconsin higher education grant program, as well as the method specified for awarding grants to dependent students. The bill requires instead that HEAB award grants under the Wisconsin higher education program based on a formula that accounts for expected parental and student contributions.

method specified for awarding grants to dependent students. The bill requires instead that HEAB award grants based on a formula that accounts for expected parental and student contributions.

*** ANALYSIS FROM -1830/1 ***

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Currently, the higher educational aids board (HEAB) administers an academic excellence higher education scholarship program that awards scholarships, for up to four years of study, to certain students enrolled at participating institutions of higher education in this state who had the highest grade point averages in their high schools.

This bill specifies that this program and its scholarship recipients must be referred to as the governor's scholarship program and governor's scholars, respectively, in all printed material disseminated or otherwise distributed by HEAB.

*** ANALYSIS FROM -1290/4 ***

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

The state currently appropriates money to the state historical society from the conservation fund for interpretive programming at the Northern Great Lakes Center. This bill designates the Northern Great Lakes Center as a historic site. The bill appropriates money derived from the Indian gaming compacts for the operation of the Northern Great Lakes Center historic site. The appropriation from the conservation fund is not eliminated.

The state currently appropriates general purpose revenue to the arts board to award grants to individuals and groups concerned with the arts and to contract with individuals, organizations, units of government and institutions for services furthering the development of the arts and humanities.

This bill appropriates money derived from the Indian gaming compacts for such grants awarded to, and such contracts entered into with, American Indian individuals, groups, organizations, tribal governments and institutions.

*** ANALYSIS FROM -1983/1 ***

EDUCATION

OTHER EDUCATIONAL AND CULTURAL AGENCIES

This bill appropriates money to the Medical College of Wisconsin for the study and prevention of tobacco–related illnesses.

*** ANALYSIS FROM -1250/5 ***

NATURAL RESOURCES

OTHER NATURAL RESOURCES

Under current law, any municipality, board, commission, public officer or corporation that is authorized to acquire property by condemnation and that acquires property either by purchase or by condemnation, and any entity that carries out a program or project with public financial assistance that causes any person to move or to move his or her personal property, must provide relocation benefits to

persons displaced by the program or project. Relocation benefits include moving expenses, replacement housing payments and business or farm replacement payments.

This bill eliminates the authority of the department of natural resources (DNR) to acquire property by condemnation. The bill also provides that if DNR carries out a program or project that causes a person to move or to move his or her personal property, DNR is not required to provide relocation benefits. Note, however, that under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, a person is eligible for relocation benefits specified under the federal law if a state agency (including DNR) carries out a program or project with federal financial assistance.

Finally, the bill authorizes the building commission, at the request of DNR, to acquire property by condemnation for any public purpose. Under current law, the eminent domain authority of the building commission is limited to the acquisition of land that it deems necessary for a site for Madison downtown state office facilities. If the building commission acquires property at DNR's request, whether by condemnation or purchase, it is required to provide relocation benefits.

***** ANALYSIS FROM –1034/2 *****

EMINENT DOMAIN

Under current law, a property owner whose property has been partially condemned for a sewer or transportation facility must pay property taxes in the year of the condemnation for both the condemnee's remaining property and the portion of the property that was awarded to the condemnor. Current law also provides that, in a partial condemnation, the prorated portion of the condemnee's current property tax obligation must be subtracted from the award of compensation for the taking. To recover both the condemnor's and the condemnee's prorated share of property taxes, the condemnee must file a claim with the condemnor.

This bill provides that, if the property owner retains a majority interest in the property after the condemnation, the condemnor may choose not to subtract the condemnee's prorated taxes from the award payment and may include the condemnor's prorated taxes in the award payment, thereby eliminating the need to file a claim with the condemnor.

***** ANALYSIS FROM –1922/5 *****

EMPLOYMENT

Under current law, the division of connecting education and work in the department of workforce development (DWD) is required to plan, coordinate, administer and implement DWD's workforce excellence initiatives, programs, policies and funding; the youth apprenticeship and school–to–work programs provided by DWD in accordance with the federal School–to–Work Opportunities Act of 1994; and such other employment and education programs as the governor may by executive order assign to the division. Under the youth apprenticeship program, DWD must approve occupations for youth apprenticeship programs, must develop curricula for youth apprenticeship programs ~~for those approved occupations~~ and may award training grants to employers that provide on–the–job training and supervision for youth apprentices. Under the school–to–work program, DWD must

approve statewide skill standards for that program. Also under current law, DWD may award grants to nonprofit corporations and public agencies for the provision of career counseling centers that provide youths with ~~access to comprehensive~~ career education and job training information and that assist youths in locating apprenticeship and other work experience opportunities that are related to the youth's education.

This bill eliminates the division of connecting education and work in DWD ~~and instead~~, creates a governor's work–based learning board (board). ~~Under the bill, the board is responsible for administering~~ the youth apprenticeship and school–to–work programs ~~currently administered by the division of connecting education and work in DWD, except that~~ the technical college system (TCS) board is ~~responsible~~ for developing youth apprenticeship curricula, subject to the approval of the board. Under the bill, the board is also responsible for administering ~~the career counseling center grant program,~~ a study grant program created under the bill for high school graduates who meet or exceed a grade point average determined by the board and who enroll in a technical college within one year after high school graduation, and a work–based learning program created under the bill for youths who are eligible to receive federal temporary assistance for needy families.

The bill also creates a local youth apprenticeship partnership grant program under which the board must award grants to local partnerships for the implementation and coordination of local youth apprenticeship programs. The bill defines a "local partnership" as one or more school districts, or any combination of one or more school districts, other public agencies, nonprofit organizations, individuals and other persons, who have agreed to be responsible for implementing and coordinating a local youth apprenticeship program. A local partnership that is awarded a grant may use the grant moneys to recruit employers ~~to provide on–the–job training and supervision for youth apprentices and provide technical assistance to those employers;~~ recruit students to participate in the ~~local youth apprenticeship~~ program ~~and monitor the progress of youth apprentices participating in the program;~~ coordinate youth apprenticeship training activities ~~within participating school districts and among participating school districts, postsecondary institutions and employers;~~ coordinate academic, vocational and occupational learning, school–based and work–based learning and secondary and postsecondary education for participants in the ~~local youth apprenticeship~~ program; assist employers in identifying and training workplace mentors ~~and match youth apprentices and mentors;~~ and for any other implementation or coordination activity that the board may direct or permit the local partnership to perform.

Under current law, the state superintendent of public instruction may award a grant to a nonprofit organization that is providing an innovative school–to–work program for children at risk, that is, children who are behind their age group in the number of high school credits attained or in basic skill levels and who are dropouts, habitual truants, parents or adjudicated delinquents, in a county having a population of 500,000 or more (Milwaukee County) to assist those children in acquiring employability skills and occupation–specific competencies before leaving high school. The bill ~~assigns~~ to the board the responsibility for awarding that grant.

RAC

*** ANALYSIS FROM -0577/3 ***

EMPLOYMENT

Under current law, the Wisconsin employment relations commission (WERC) must ~~assess and~~ collect fees from parties who request WERC services relating to labor disputes involving fact–finding, mediation or arbitration. This bill requires that WERC ~~assess and~~ collect a fee from any party who requests that WERC assemble a panel of individuals who are not members or employes of WERC to act as an arbitrator to resolve a dispute involving the interpretation or application of a collective bargaining agreement. ~~Fees must be paid at the time of filing the request and any such request may not be considered filed until the date that the fee is paid.~~

*** ANALYSIS FROM -0502/2 ***

EMPLOYMENT

Under current law, a Wisconsin conservation corps (WCC) enrollee who is successfully employed for six months to one year is entitled to a voucher to pay for tuition. This bill raises the maximum amount allowed for this voucher from $2,600 to $2,800.

*** ANALYSIS FROM -1419/2 ***

ENVIRONMENT

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sub-sub

Requirement to clean up hazardous substance spills

Substance

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Current law generally exempts a local governmental unit from these clean–up requirements with respect to hazardous substance discharges on land acquired in specified ways, such as through tax delinquency proceedings and condemnation. "Local governmental unit" is defined to include a city, village, town, county, redevelopment authority and housing authority.

RCT

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~~This bill expands the local governmental unit exemption from clean–up requirements so that it applies to~~ land acquired with funds from this state's stewardship program. The bill expands the definition of "local governmental unit" to include a community development authority. Under current law, the local governmental unit exemption from clean–up requirements is not available if the discharge is from an underground petroleum storage tank. This bill eliminates that limitation.

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This bill also exempts a local governmental unit that has acquired property in one of the specified ways from certain requirements relating to hazardous waste if the hazardous waste is cleaned up, DNR approves the cleanup and other conditions are satisfied.

*** ANALYSIS FROM -0257/4 ***

ENVIRONMENT

~~HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP~~

~~Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance~~

to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Current law generally exempts a local governmental unit from these clean–up requirements with respect to hazardous substance discharges on land acquired in specified ways, such as through tax delinquency proceedings and condemnation.

This bill expands the exemption from the clean–up requirements so that it applies to land acquired through escheat and land acquired from another local governmental unit that is entitled to the exemption. Land is acquired through escheat when the owner dies without a will that disposes of the land and without any heir. Under current law, the exemption from the clean–up requirements is not available if the discharge is from an underground petroleum storage tank. This bill eliminates that limitation. This bill also requires local governmental units to agree to provide access to land that is subject to the exemption for the purpose of letting someone else conduct a cleanup of the discharge.

***** ANALYSIS FROM –1422/1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. A person is considered to possess or control any hazardous substance that is present on property that the person owns. Current law generally exempts a local governmental unit from the requirement to clean up a property if the local governmental unit acquired the property in one of several specified ways, such as through tax delinquency or condemnation.

This bill exempts a local governmental unit from the requirement to clean up a hazardous substance that has migrated from a property acquired in one of the specified ways to another property.

Under current law, a person who did not intentionally or recklessly cause the original discharge of a hazardous substance on a property, called a voluntary party, is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharge on a property, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted, the property is cleaned up, DNR issues a certificate of completion stating that the cleanup restored the environment and minimized the harmful effects of the discharge and the voluntary party maintains and monitors the property as required by DNR. This exemption applies if later changes to the law would impose greater responsibilities on the voluntary party or if it is later discovered that the cleanup failed to restore the environment fully or to minimize the harmful effects of the discharge.

Under this bill, in order to qualify for the voluntary party exemption, both the voluntary party's property and any other property affected by a discharge originating from that property must be cleaned up. Under the bill, once DNR approves the cleanup, the voluntary party is exempt from further clean–up requirements on both the voluntary party's own property and any other property

affected by a discharge originating from that property. The bill also authorizes DNR to require a voluntary party to obtain insurance to cover the cost of a cleanup if the initial cleanup fails.

***** ANALYSIS FROM –0256/1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Under current law, a lender of money who acquires land through enforcement of a security interest is not liable for a discharge of a hazardous substance on that land if certain requirements are satisfied. This bill requires a lender to provide access to the land on which the discharge occurred for the purpose of letting someone else conduct a cleanup of the hazardous substance. Under current law, the lender–liability exemption is not available if the discharge is from an underground petroleum storage tank. This bill makes the lender–liability exemption available if the discharge is from an underground petroleum storage tank.

***** ANALYSIS FROM –0929/4 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Under current law, a person who did not intentionally or recklessly cause the original discharge of a hazardous substance on a property, called a voluntary party, is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharge, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted, the property is cleaned up, the department of natural resources (DNR) certifies that the cleanup restored the environment and minimized the harmful effects of the discharge and the voluntary party maintains and monitors the property as required by DNR. This exemption applies if later changes to the law would impose greater responsibilities on the voluntary party or if it is discovered that the cleanup failed to fully restore the environment or to minimize the harmful effects of the discharge.

This bill changes the definition of "voluntary party" so that a person who intentionally or recklessly caused the discharge of a hazardous substance may obtain the voluntary party exemption from environmental cleanup requirements and from the requirements of other laws relating to hazardous substances. The bill also authorizes DNR to require a voluntary party to obtain insurance to cover the cost of a cleanup in case the initial cleanup fails.

***** ANALYSIS FROM –0285/1 *****

ENVIRONMENT

SOLID AND HAZARDOUS WASTE

Under current law, a person who did not intentionally or recklessly cause the release of a hazardous substance on property (voluntary party) is exempted from certain types of environmental liability for the contaminated property if the person meets certain conditions. The exemptions apply with respect to all hazardous substances on the property, regardless of whether the hazardous substances were released before or after the conditions are met. This bill specifies that the exemptions apply only with respect to hazardous substances released on the property before the department of natural resources (DNR) approves an environmental investigation of the property, one of the necessary conditions for the exemptions to apply.

*** ANALYSIS FROM -1422/1 ***

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. A person is considered to possess or control any hazardous substance that is present on property that the person owns. Current law generally exempts a local governmental unit from the requirement to clean up a property if the local governmental unit acquired the property in one of several specified ways, such as through tax delinquency or condemnation.

This bill exempts a local governmental unit from the requirement to clean up a hazardous substance that has migrated from a property acquired in one of the specified ways to another property.

Under current law, a person who did not intentionally or recklessly cause the original discharge of a hazardous substance on a property, called a voluntary party, is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharge on a property, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted, the property is cleaned up, DNR issues a certificate of completion stating that the cleanup restored the environment and minimized the harmful effects of the discharge and the voluntary party maintains and monitors the property as required by DNR. This exemption applies if later changes to the law would impose greater responsibilities on the voluntary party or if it is later discovered that the cleanup failed to restore the environment fully or to minimize the harmful effects of the discharge.

Under this bill, in order to qualify for the voluntary party exemption, both the voluntary party's property and any other property affected by a discharge originating from that property must be cleaned up. Under the bill, once DNR approves the cleanup, the voluntary party is exempt from further clean–up requirements on both the voluntary party's own property and any other property affected by a discharge originating from that property. The bill also authorizes DNR

to require a voluntary party to obtain insurance to cover the cost of a cleanup if the initial cleanup fails.

***** ANALYSIS FROM –0614/3 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Under current law, a person who did not intentionally or recklessly cause the original discharge of a hazardous substance on a property, called a voluntary party, is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharge, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted, the property is cleaned up, the department of natural resources (DNR) certifies that the cleanup restored the environment and minimized the harmful effects of the discharge and the voluntary party maintains and monitors the property as required by DNR. This exemption applies if later changes to the law would impose greater responsibilities on the voluntary party or if it is discovered that the cleanup failed to fully restore the environment or to minimize the harmful effects of the discharge. Also, under current law, a person is exempt from the requirements to restore the environment and minimize the effects of the discharge of a hazardous substance on the environment with respect to the existence of a hazardous substance in groundwater on property possessed or controlled by the person if the discharge originated from a source off of the property, the person agrees to allow access to the property so that someone else can conduct a cleanup and the person agrees to any other condition necessary to ensure that an adequate cleanup can be conducted.

Under this bill, for a property affected by an off–site discharge that has contaminated the groundwater and by discharges of other hazardous substances, a voluntary party is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharges, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted, the property is cleaned up, except with respect to the discharge that originated off–site, DNR certifies that the cleanup restored the environment and minimized the harmful effects of the discharge, except with respect to the discharge that originated off–site, DNR determines in writing that the voluntary party qualifies for the off–site exemption, and the voluntary party maintains and monitors the property as required by DNR.

***** ANALYSIS FROM –1423/3 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful

effects of the discharge on the environment. Under current law, a person who did not intentionally or recklessly cause the original discharge of a hazardous substance on a property, called a voluntary party, is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharge, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted, the property is cleaned up, the department of natural resources (DNR) certifies that the cleanup restored the environment and minimized the harmful effects of the discharge and the voluntary party maintains and monitors the property as required by DNR. This exemption applies if later changes to the law would impose greater responsibilities on the voluntary party or if it is discovered that the cleanup failed to fully restore the environment or to minimize the harmful effects of the discharge. Under DNR's rules, a person may be allowed to use natural attenuation to clean up a hazardous substance in groundwater if DNR determines that natural attenuation will bring the groundwater into compliance with groundwater standards within a reasonable period. "Natural attenuation" means the reduction in the amount and concentration of a substance in groundwater that occurs because of natural processes.

Under this bill, if groundwater on a property is contaminated by a hazardous substance in a concentration that exceeds a groundwater standard and DNR determines that natural attenuation will restore groundwater quality in accordance with its rules, a voluntary party is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharges, and from the requirements of other laws relating to hazardous substances, if: 1) an environmental investigation of the property is conducted; 2) the property is cleaned up, except with respect to the substance for which DNR approves natural attenuation; 3) DNR certifies that the cleanup restored the environment and minimized the harmful effects of the discharge, except with respect to the substance for which DNR approves natural attenuation; the voluntary party maintains and monitors the property as required by DNR; and 4) if required by DNR, the voluntary party obtains insurance to cover the cost of a cleanup in case natural attenuation fails.

***** ANALYSIS FROM –0937/1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Under current law, a person who did not intentionally or recklessly cause the original discharge of a hazardous substance on a property, called a voluntary party, is exempt from absolute requirements to restore the environment and minimize the harmful effects of the discharge on a property, and from the requirements of other laws relating to hazardous substances, if an environmental investigation of the property is conducted and approved by the department of natural resources (DNR), the property is cleaned up, DNR issues a certificate of completion stating that the cleanup restored the environment and minimized the harmful effects of the discharge and the voluntary party maintains

and monitors the property as required by DNR. This exemption applies if later changes to the law would impose greater responsibilities on the voluntary party or if it is later discovered that the cleanup failed to restore the environment fully or to minimize the harmful effects of the discharge.

Under this bill, if an environmental investigation of a property is conducted and approved by DNR, a voluntary party obtains insurance to cover the costs of cleaning up hazardous substance discharges discovered after the environmental investigation is approved, an additional hazardous substance discharge is discovered during a cleanup and a second environmental investigation is conducted and approved by DNR, a voluntary party is exempt from the requirements to clean up any hazardous substance discharge discovered after the second environmental investigation is approved.

***** ANALYSIS FROM –1421/2 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment.

This bill creates a number of exemptions from the requirement to clean up hazardous substance spills. The bill requires the department of natural resources (DNR) to biennially report on the impacts of these new, and the existing, exemptions.

***** ANALYSIS FROM –1432/7 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of commerce (department) administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA.

This bill authorizes the department to issue revenue obligations, to be paid from revenues deposited in the petroleum inspection fund, to fund the payment of claims under the PECFA program. Revenue obligations issued under this bill may not exceed $450,000,000 in principal amount. In addition to this limit on principal amount, the bill authorizes the issuance of revenue obligations to fund or refund these outstanding revenue obligations, to pay issuance or administrative expenses, to make deposits to reserve funds or to pay accrued or capitalized interest. The building commission may pledge any portion of revenues received from the proceeds of the obligations or the petroleum inspection fund to secure revenue obligations issued under this bill. The building commission may issue the revenue obligations when it reasonably appears to the building commission that the obligations can be fully paid on a timely basis from the petroleum inspection fund. The bill provides a so–called "moral obligation pledge" which applies if the legislature reduces the rate of the petroleum inspection fee. If the rate is reduced and there are insufficient funds in the petroleum inspection fund to pay the principal and interest on the revenue

obligations, the legislature expresses its expectation and aspiration that it would make an appropriation from the general fund sufficient to pay the principal and interest on the obligations.

STATE GOVERNMENT

STATE FINANCE

Under current law, the state may issue "revenue obligations" for certain specified purposes. In general, a revenue obligation is an obligation that is: 1) incurred to purchase, acquire, lease, construct, improve, operate or manage a revenue–producing enterprise; and 2) repayable solely from, and secured solely by, the property or income from the revenue–producing enterprise.

This bill broadens the definition of revenue obligation to allow revenue bonding in situations which would not meet the current law definition of revenue obligation. Under the bill, revenue obligations consist of two different types: enterprise obligations and special fund obligations. The first type of revenue obligation, called an enterprise obligation, includes all obligations authorized under current law; i.e., obligations that are incurred to purchase, acquire, lease, construct, improve, operate or manage a revenue–producing enterprise and are repayable solely from, and secured solely by, the property or income from that revenue–producing enterprise. The definition of enterprise obligation under the bill is broader than the current law definition of revenue obligation in that it eliminates the requirement that bond be repayable *solely* from, and be *solely* secured by, property or income from the revenue–producing enterprise.

The second type of revenue obligation, a special fund obligation, is created by the bill. Special fund obligations are an undertaking by the state to repay a certain amount of borrowed money that is payable from a special fund consisting of fees, penalties or excise taxes.

The bill uses this second type of revenue obligation in order to authorize not more than $450,000,000 of revenue obligation bonding for the PECFA program. See ENVIRONMENT, HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP. These revenue obligations are to be repaid from, and are secured by, the petroleum inspection fund. If, however, the legislature reduces the rate of the petroleum inspection fee and the fees in the fund prove insufficient to pay the principal and interest on the revenue obligations, the bill expresses the legislature's expectation and aspiration that it would make an appropriation from the general fund sufficient to pay the principal and interest on the obligations.

*** ANALYSIS FROM -1361/3 ***

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of revenue (DOR) collects a petroleum inspection fee of 3 cents per gallon on petroleum products that are received for sale in this state. The fee is used to fund the program that reimburses owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks (commonly known as PECFA) as well as various other programs. The petroleum inspection fee is deposited in the petroleum inspection fund.

This bill requires the department of commerce ~~which administers PECFA~~ to change the amount of the petroleum inspection fee under specified conditions. If the amount of unpaid PECFA claims, as of June 30 of an odd–numbered year, exceeds $10,000,000, the bill requires the department to increase the fee, effective the following April 1, as necessary to increase annual revenues by the amount by which unpaid claims exceed $10,000,000. If the balance in the petroleum inspection fund on June 30 of an odd–numbered year exceeds $10,000,000 and no PECFA revenue bonds are outstanding, the bill requires the department to reduce the fee, effective the following April 1, as necessary to reduce annual revenues by $5,000,000 or the amount by which the balance in the fund exceeds $10,000,000, whichever is greater.

***** ANALYSIS FROM –1359/3 *****

ENVIRONMENT

~~HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP~~

Under current law, the department of commerce administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA. Currently, the PECFA program reimburses applicants for interest costs incurred in financing a cleanup, but that reimbursement is limited to interest at 1% over the prime rate.

Under this bill, the PECFA program does not reimburse interest costs incurred by an applicant in financing a cleanup if the applicant has annual gross revenues in excess of $20,000,000. For other applicants, PECFA interest reimbursement is limited to interest at 5%. The limits on interest reimbursements apply to interest incurred after October 31, 1999, on claims filed after October 31, 1999.

***** ANALYSIS FROM –1669/5 *****

ENVIRONMENT

~~HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP~~

Under current law, ~~the department of natural resources~~ (DNR) generally may order a responsible person to conduct a cleanup of a hazardous substance that has been discharged into the environment and may oversee the cleanup. However, under current law, the department of commerce may order and oversee cleanups of certain discharges from petroleum product storage tanks. The department of commerce has authority over cleanups if the site of the discharge is classified as low or medium priority based on the threat that the discharge poses to public health, safety and welfare and to the environment and if the site is not contaminated by nonpetroleum hazardous substances. Current law requires DNR and the department of commerce to enter into a memorandum of understanding that establishes procedures and standards for determining whether a site is high, medium or low priority. Under this state's groundwater law, DNR and the department of health and family services (DHFS) set enforcement standards. An enforcement standard represents a concentration of a substance in groundwater. ~~If an activity or facility causes the concentration of a substance in groundwater to reach or exceed the enforcement standard, the state agency that regulates the activity or facility must, generally,~~

prohibit the activity or practice that uses or produces the hazardous substance and implement remedial action.

This bill requires the department of commerce to establish the standards for categorizing sites of petroleum product discharges by rule, rather than by memorandum of understanding. The bill requires the department of commerce and DNR to attempt to agree on the standards. The bill prohibits the departments from providing, in those standards, that all sites at which a groundwater enforcement standard has been exceeded are high priority. The bill also requires the departments to design the standards to classify no more than 50% of sites as high priority. If the departments cannot agree on the standards, the secretary of administration resolves the disagreement. Then the department of commerce promulgates the standards by rule.

Under current law, the department of commerce administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA. The owner of a petroleum product storage tank may receive a PECFA award for the amount by which the cost of the cleanup exceeds a deductible amount, up to a specified maximum. The current maximum for underground tanks varies from $100,000 for small farm tanks to $1,000,000 for tanks located at a facility at which petroleum is stored for resale and tanks that handle an average of more than 10,000 gallons of petroleum per month.

This bill changes the maximum PECFA award for any underground petroleum product storage tank to $100,000 if the site of the discharge from the tank is classified as medium priority or low priority under the classification system established in the rule that this bill requires the department of commerce to promulgate. The change in the maximum PECFA award applies to PECFA claims for which remedial action plans are approved after November 30, 1999.

***** ANALYSIS FROM –1388/6 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of commerce administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA. Under current law, the owner or operator of a petroleum product storage tank may receive a PECFA award for the amount by which the cost of the cleanup exceeds a deductible amount, up to a specified maximum. The deductible for underground tanks is generally $2,500 plus 5% of eligible costs, but not more than $7,500, except that the deductible for heating oil tanks owned by school districts and technical college districts is 25% of eligible costs.

This bill changes the PECFA deductible amount for certain underground petroleum product storage tanks. Under this bill, the deductible for an underground petroleum product storage tank that is located at a facility at which petroleum is stored for resale or an underground petroleum product storage tank that handles an annual average of more than 10,000 gallons of petroleum per month is $10,000, plus $2,500 if the eligible costs exceed $50,000, plus $2,500 if eligible costs exceed

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$80,000, plus $10,000 for each whole $100,000 by which of eligible costs exceed $150,000, except that the department of commerce may, by rule, exempt a class of owners and operators from this higher deductible.

This bill also changes the PECFA deductible amount for aboveground storage tanks located at terminals from $15,000 plus 5% of the amount by which eligible costs exceed $200,000 to $15,000 plus 15% of the amount by which eligible costs exceed $200,000. A terminal is a facility that is connected to a petroleum pipeline.

***** ANALYSIS FROM –1358/4 *****

~~ENVIRONMENT~~

~~HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP~~

~~Under current law, the department of commerce (department) administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA.~~

This bill authorizes the department of commerce to promulgate rules for assigning award priorities to cleanups under PECFA, except for cleanups of discharges from home heating oil tanks, small farm tanks and heating oil tanks owned by school districts. If the department promulgates the rules, it must pay PECFA awards for cleanups that begin after the rules take effect, in order of the award priorities under the rules. The bill requires the department to inform the owner or operator of a petroleum product storage tank of the date on which it is appropriate to begin a cleanup, based on when the department estimates funding will be available for an award for the cleanup. The bill authorizes an owner or operator to delay beginning a cleanup until the date that the department determines it is appropriate to begin the cleanup. The bill also authorizes the department to deny PECFA reimbursement for interest costs if an owner or operator begins a cleanup before the appropriate beginning date as determined by the department.

***** ANALYSIS FROM –1668/1 *****

~~ENVIRONMENT~~

~~HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP~~

Under current law, the department of commerce administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA.

This bill authorizes the department of commerce to require a person to pay a fee as a condition of submitting a bid to provide a service for a cleanup under the PECFA program. If the department of commerce imposes a fee, the department may purchase, or provide funding for the purchase of, insurance to cover the amount by which the costs of conducting a cleanup exceed the amount bid to conduct the cleanup.

***** ANALYSIS FROM –1417/3 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of commerce administers a program to reimburse owners of certain petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This program is commonly known as PECFA.

This bill requires the department of commerce and the department of natural resources (DNR) to report information about petroleum product cleanups that are in progress. The departments must report every six months.

***** ANALYSIS FROM –1485/P1 *****

Under current law, the department of natural resources (DNR) administers the dry cleaner response program to reimburse owners and operators of dry cleaning facilities a portion of the costs incurred in cleaning up a discharge of dry cleaning solvent. This program is funded by dry cleaning license, solvent and inventory fees which are paid by owners and operators of dry cleaning facilities. As a condition of receiving an award, owners and operators of closed dry cleaning facilities must pay annually for 30 years the average dry cleaning license fee for the year and an amount equal to the total amount collected as a dry cleaning solvent fee divided by the number of operating dry cleaning facilities. These required fees are in addition to the deductible owners and operators must pay before receiving an award.

This bill eliminates the requirement that operators of closed dry cleaning facilities pay annual fees for 30 years. Instead, this bill requires owners of dry cleaning facilities to pay as part of the deductible an amount equal to 30 times the average license fee for the year in which the award is made and an amount equal to the total collected as solvent fees divided by the number of operating dry cleaning facilities for the year. This bill also increases the deductible for closed facilities when eligible costs exceed $200,000.

***** ANALYSIS FROM –1482/1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of natural resources (DNR) administers the dry cleaner environmental response program which reimburses owners and operators of dry cleaning facilities for the costs of responding to and cleaning up discharges of dry cleaning solvents. Financing costs are reimbursable costs under this program.

This bill excludes financing costs from reimbursable costs under the dry cleaner environmental response program.

***** ANALYSIS FROM –1484/2 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of natural resources (DNR) administers the dry cleaner environmental response program which provides reimbursement for a portion of the costs of responding to discharges of dry cleaning solvents. The program is funded, in part, from dry cleaning facility license fees paid to the department of

revenue (DOR). Under current law, owners and operators are eligible for reimbursement under the dry cleaner environmental response program. An owner is a person who owns, or has possession or control of, a dry cleaning facility or who receives or received consideration from the operation of a dry cleaning facility, regardless of whether the dry cleaning facility remains in operation. An operator is a person who holds a license from DOR for a dry cleaning facility.

This bill changes eligibility for the dry cleaner environmental response program by changing the definitions of "owner" and "operator". Under this bill, an owner is either: 1) a person who owns property on which a licensed dry cleaning facility is located or on which a dry cleaning facility that has ceased operation, but that was licensed before it ceased operation, is located; or 2) a person who owns, or has possession or control of, or who receives or received consideration from the operation of, a licensed dry cleaning facility or a closed dry cleaning facility. If the dry cleaning facility was closed on or after October 14, 1997, it must have been licensed before it was closed. The bill expands the definition of "operator" to include a person who operated a dry cleaning facility that closed before October 14, 1997.

***** ANALYSIS FROM -0434/1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of natural resources (DNR) administers the dry cleaner environmental response program which provides reimbursement for a portion of the costs of responding to discharges of dry cleaning solvents. Under current law, the first priority for payment under the program is payment for immediate action activities (activities taken within a short time after a discharge occurs or after a discharge is discovered). After awards for immediate action activities, DNR is required to give highest priority to paying awards for eligible costs incurred before October 14, 1997.

This bill requires DNR each year, after paying awards for immediate action activities, to provide a specified portion of the funds available to pay awards for costs eligible costs incurred before October 14, 1997, and to provide the rest of the funds to pay awards for costs incurred on or after October 14, 1997.

***** ANALYSIS FROM -1488/P2 *****

ENVIRONMENT

SOLID AND HAZARDOUS WASTE

Under current law, the department of natural resources (DNR) administers the dry cleaner response program to reimburse owners and operators of dry cleaning facilities a portion of the costs incurred in cleaning up a discharge of dry cleaning solvent.

This bill requires applicants to notify DNR of any insurance claims made for the costs of cleanup and to disclose the amount of any insurance proceeds received. This bill also requires applicants to notify DNR if they intend to file suit against an insurance company to recover clean–up costs. DNR may join a private suit filed by an applicant against an insurance company for the purposes of recovering costs associated with the cleanup of a dry cleaning solvent discharge.

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***** ANALYSIS FROM –0432/1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under current law, the department of natural resources (DNR) administers the dry cleaner environmental response program which provides reimbursement for a portion of the costs of responding to discharges of dry cleaning solvents. Under the program, the owners of certain dry cleaning facilities are eligible for reimbursement for the costs of preliminary site screening and interim remedial equipment to begin the cleanup of dry cleaning discharges before the completion of full site investigations and cleanup plans. The reimbursement for preliminary site screening and interim equipment may not exceed $15,000, of which not more than $2,500 may be for the preliminary site screening.

Under this bill, the reimbursement for preliminary site screening and interim remedial equipment is 50% of the eligible costs, but not more than $20,000, of which not more than $3,000 may be for the cost of the preliminary site screening.

***** ANALYSIS FROM –1487/P1 *****

ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

under certain circumstances

Under current law, the department of natural resources (DNR) administers the dry cleaner environmental response program which provides reimbursement for a portion of the costs of responding to discharges of dry cleaning solvents. The dry cleaner environmental response program is funded from the dry cleaner environmental response fund, a segregated fund. Also under current law, DNR is authorized to fund cleanups of hazardous substance discharges from the environmental fund, another segregated fund.

Under this bill, if DNR funds a cleanup of a discharge of dry cleaning solvent from the environmental fund, DNR must transfer from the dry cleaner environmental response fund to the environmental fund an amount equal to the amount expended from the environmental fund for the cleanup. DNR must make the transfer when it determines that sufficient funds are available.

***** ANALYSIS FROM –0958/1 *****

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ENVIRONMENT

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. A person who owns property on which a hazardous substance has been discharged is considered to possess or control the hazardous substance. There are several exceptions to the clean–up requirement.

This bill authorizes a local governmental unit to recover costs it incurs in cleaning up a property on which a hazardous substance has been discharged if the local governmental unit acquired the property in one of several specified ways, including through tax delinquency proceedings and condemnation. The local governmental unit may recover the costs from a person who possessed or controlled

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the hazardous substance at the time that the local governmental unit acquired the property or who caused the discharge of the hazardous substance, unless the person is exempt from the requirement to clean up the property under ~~current~~ law.

the hazardous substances spills